

# ANNUAL FISCAL YEAR REPORT

OCTOBER 2004  
TO SEPTEMBER 2005

## Moldova Local Government Reform Project



THE URBAN INSTITUTE

USAID's Moldova Local Government Reform Project

**MOLDOVA  
LOCAL GOVERNMENT  
REFORM PROJECT (LGRP)**

**ANNUAL  
FISCAL YEAR REPORT**

**OCTOBER 2004 TO  
SEPTEMBER 2005**

Prepared for



Moldova Local Government Reform Project  
United States Agency for International Development  
Contract No. EEU-I-00-99-00015-00, Task Order No.806

Prepared by

The Urban Institute



**THE URBAN INSTITUTE**  
2100 M Street, NW  
Washington, DC 20037  
(202) 833-7200  
[www.urban.org](http://www.urban.org)

October 2006  
UI Project 06901-007

## TABLE OF CONTENTS

I. INTRODUCTION AND SUMMARY OF PROJECT ACCOMPLISHMENTS.....	1
II. MAJOR ACTIVITIES.....	3
III. LIST OF DOCUMENTS BY PROGRAM COMPONENT .....	18

## ANNEXES

Annex A–Fiscal Decentralization

Annex B–Democracy and Governance

Annex C–Municipal Services/Demonstration Projects

# MOLDOVA LOCAL GOVERNMENT REFORM PROJECT

## ANNUAL FISCAL YEAR REPORT

OCTOBER 2004 TO SEPTEMBER 2005

### I. INTRODUCTION AND SUMMARY OF PROJECT ACCOMPLISHMENTS

This report covers 12 months—October 1, 2004 to September 30, 2005 or Fiscal Year (FY) 2005 of the Moldova Local Government Reform Project (LGRP). Part I provides the introduction to the report and describes its organization. Part II describes major activities undertaken during the period covered by this report. Part III lists the work products for FY2005, which can be found in the annexes to this report. ***There are three annexes to the FY2005 LGRP report:*** Fiscal Decentralization, Democracy and Governance, and Municipal Services/Demonstration Projects.

**Task Order No.:** EEU-I-00-99-00015-00, TO No. 806

**Date of Issuance:** February 1, 2000

#### **Task Order Description:**

The Moldova LGRP is implementing a technical assistance program over a five-year period to assist all levels of government in the Republic of Moldova in shaping and realizing its agenda for local government reform. The principal focus of LGRP is on “governments of the first level” (i.e., cities and towns) and to a lesser extent villages. This includes improving local government autonomy (including fiscal decentralization and improved management) and strengthening civil society organizations (CSOs) role in democratic local governance. Increased citizen participation in decision-making in the target cities will indicate that the cities have enough fiscal decentralization to make independent decisions about their budgets and strategic plans, elected officials are aware of the importance of citizen participation, and citizens believe that their participation is important, and have been mobilized to play a role in their local government.

<b>Amount obligated under Task Order:</b> (As of 9/30/2004)	\$ 9,099,793
--	--------------

<b>Total potential Task Order amount:</b>	\$ 11,348,206
---	---------------

<b>Dollars expended to date, including accruals:</b> (As of 9/30/2005)	\$ 6,477,022
---	--------------

Project results as of September 30, 2005 are shown in Table 1.

Table I-1  
Project Indicators<sup>1</sup>

Performance Indicator	Indicator Definition and Unit of Measurement	Baseline Data		Plan	Actual	Fiscal Year 2006	
		Year	Value	2005	2005	Target	Actual
Strategic Objective: 2.3: Democratic institutions more effective, responsive and accountable							
1. Indicator: Citizen participation in decision-making in partner local governments in:	Definition: Citizens' participation in decision-making can be demonstrated through public hearings on the local budget and public hearings on municipal service decisions or strategic planning. This indicator counts the number of partner local governments <sup>2</sup> that can demonstrate citizen participation through: <i>Unit: Number (cumulative)</i>						
a) Budget process	a) A minimum of 1 public hearing on the local budget	2004	37	45	65	85	
b) Decisions about municipal services or strategic planning	b) A minimum of 1 public hearing on municipal service decisions and/or strategic planning	2004	82	85	111	137	
IR 2.3.1: Local government autonomy strengthened							
2. Indicator: Community strategic plans officially adopted by action of the council after a formal public hearing	Definition: Partner local governments that have officially adopted a strategic plan as confirmed by an officially registered decision of the legislative body <i>Unit: Number (cumulative)</i>	2004	57	72	80	98	
3. Indicator: Partner communities, in which financial management capacity is increased through office automation	Definition: Partner local governments that have increased financial management capacity by implementing office automation and receiving computer training <i>Unit: Number (cumulative)</i>	2004	55	70	79	99	
4. Indicator: Households receiving new or improved public services in partner local government communities	Definition: Households in partner local communities receiving higher quality and more reliable services through more transparent processes <i>Unit: Number per year</i>	2004	67,540	70,000	83,874	80,000	
5. Indicator: Demonstration projects competitively selected and implemented	Definition: Demonstration projects implemented that achieve an objective in a community strategic plan and result in improvement of strategically important services and/or facilities, and enhancement of the sustainability of community strategic planning in communities across Moldova <i>Unit: Number per year</i>	2004	0	40	42	75	

<sup>1</sup> LGRP results as of September 30, 2005.

<sup>2</sup> The total number of partner local governments is 110. The total number of local governments in Moldova is 903.



## II. MAJOR ACTIVITIES

### Task #1 – Assist in Establishing Legislation and Implementing Regulations towards Decentralization

Since political conditions in Moldova were not conducive to deploying policy research aimed at advancing legislative reform towards decentralization, LGRP focused its attention and resources on preparing local governments to apply their capacity within the current restrictive legal framework. During the reporting period, LGRP monitored the political situation and conducted and/or supported actions and research related to improving the policy and legislative framework for local governance.

In this context, a local (CCN) legal expert completed research aimed at analyzing the impact on local governments, in general, and their financial sustainability, in particular, of the proposed administrative regulations (the so-called “guillotine law”) to the current legislation related to small business operation. Report findings reveal that the domestic legislation that shapes the regulatory framework for local business is quite confusing and many legal provisions can be easily treated in different ways due to their unclear meaning. In addition, there is room for discretionary actions taken by local authorities in issuing permits, licenses, and other kinds of legal documents. The expert came to the conclusion that the intention to rationalize all by-laws related to small businesses will have a positive impact, as long as the reformers do not fall into a centralized “normative trap.” LGRP believes legal opinion can serve as a basis for promoting transparency and predictability. New laws and regulations should be consistent with the basic principles of a society based on citizen participation, government accountability, and rule of law.

In FY2005, LGRP produced a monitoring report of recently passed governmental directives on strategic planning, which analyzed presidential decrees and governmental decisions regarding the National Program of Local Communities in Moldova of the Year 2005. The report outlines that international financial institutions (World Bank and International Monetary Fund) require that the National Strategy of Economic Growth and Poverty Alleviation should be complemented by a clear long-term action plan that specifies jurisdictional needs. Based on this report, the President passed a decree that encourages each community in Moldova to prepare a community strategic plan for the period 2005-2015. At the core of the presidential decree is a directive to all Moldovan communities calling for a centralized framework/approach to community planning. Tough time limits (two to three weeks) for completion of the community plans and a lack of transparency and citizen participation during the preparation process significantly undermined the quality of the community plans. However, many LGRP partner communities used working groups (with LGRP assistance) consisting of community members to draft projections for the period 2005 to 2015, which were eventually included in their community strategic plans.



## Task #2 – Build the Capacity of Municipal Officials to Implement Reforms and Improve Delivery of Services

### A. Component 1: Fiscal Decentralization

#### 1. Quarterly LGRP Financial Applications Users' group Meetings

An important pillar in strengthening the local governments' own capacities for better financial management has become Quarterly Financial Applications Users' group (FAUG) meetings, organized by LGRP's Fiscal Improvements (FI) team. During FY05, three major features were added to these meetings:

- Significant increase in the number of participants attending the quarterly FAUG meetings, as a result of the addition of 20 new LGRP partners, as well as 30 existing LGRP partners that had not previously benefited from the full range of LGRP services. To ensure wider participation of the accounting staff from LGRP partner communities, LGRP invited both chief accountants and their colleagues (usually accountants) to the quarterly meetings.
- Combined quarterly FAUG meeting with Moldovan League of Economists and Public Accountants (LEPA) meetings. The combined meeting attracted additional participants, received attention from accountants across Moldova, and triggered the interest of non-partner communities to apply for LGRP partnership.
- Upon the completion of the pilot phase of implementation of Integrated Municipal Financial Software (IMFS) (late FY05), **the quarterly FAUG meetings were changed to quarterly IMFS Users' group meetings**. IMFS topics will be discussed at all subsequent meetings to assure constant upgrading and updating of the software.

These new developments were gradually integrated during the quarterly FAUG meetings in FY05, and fully achieved at the 13<sup>th</sup> IMFS User Group meeting and LEPA members meeting.

Some highlights of the quarterly FAUG meetings are outlined below:

**10<sup>th</sup> FAUG** meeting at the Academy of Public Administration was held on October 26-27, 2004 for 40 participants, a record number of attendees compared to previous meetings. For the first time LEPA, with the support of the Fiscal Improvements team, conducted its Administrative Council meeting on October 27, 2004. At this meeting, all LEPA members participated in the 10<sup>th</sup> FAUG meeting and 35 participants completed application forms to become members of LEPA. The Fiscal Improvements team developed two questionnaires (one for mayors, and one for finance officers) in order to identify their training needs, computer and Internet connection requirements, and future needs for implementation of IMFS.

**11<sup>th</sup> FAUG** meeting was held on December 16-17, 2004. A diverse training program was proposed to the accountants from the LGRP partner local governments, which included an update on government procurement practices that were to become effective in 2005; an overview of the most common errors in local government accounting; an overview of the legal framework governing municipal property; and an introduction to the "1C" accounting software, which will serve as the basis for IMFS.



**12<sup>th</sup> FAUG** meeting, combined with General Meeting of LEPA, was organized by the Fiscal Improvements team for March 10-11, 2005. This was the first event of its kind. Based on this experience, the LGRP Fiscal Team will support the gradual transfer of such activities to LEPA upon termination of the project. As a result of more than two and a half years of cooperation between LGRP and LEPA, with the support of the LGRP Fiscal Improvements team, the largest General Meeting of LEPA was conducted since it was established in 2002. Most of the participants at the meeting were LGRP partners (since 2004). At the meeting, significant amendments to the old LEPA by-laws were voted on. LEPA also adopted a new two-year Work Plan and elected a new Board. The new Work Plan takes into account cooperation between LGRP and LEPA, as well as day-to-day coordination and logistics to integrate LGRP partners into LEPA.

**13<sup>th</sup> IMFS Users' group** and Second General Meeting of the League of Economists & Public Accountants were held on June 30, 2005. For the first time LEPA representatives were charged with organizing several professional trainings and Roundtables. Consequently, the Executive Director of LEPA employed two persons to provide trainings during the user group meeting to their members and LGRP finance officers. The training covered such subjects as "Remuneration of Public employees and Other Aspects of the Labor Code" and "Particularities of Local Government Budgeting for 2006." During the user group meeting two workshops were organized both by the Fiscal Improvements team and LEPA. During the first workshop, finance officers worked in four groups on a SWOT (strengths, weaknesses, opportunities and threats) analysis to assess their training needs. During the second workshop, finance officers were again divided into four groups (1<sup>st</sup> group – fiscal code Title VII; 2<sup>nd</sup> group – protection of finance officers' rights; 3<sup>rd</sup> group – relations between different levels of local authorities; 4<sup>th</sup> group – execution of local budgets) in order to revise and propose legislative amendments.

## 2. Development of Integrated Municipal Financial Software

After two years of careful research on similar products existing in other countries as well as a comparative analysis of options for the software platform, the Fiscal Improvements team decided to implement the Integrated Municipal Financial Software in Moldova based on the "1C Buhgalteria" software, which is widely available and has many experienced distributors in Moldova. With this aim, a tender was organized to select the most suitable local company for the development of the IMFS based on the "1C Buhgalteria" platform. In parallel, the Fiscal Improvements team drafted a letter and conducted negotiations with the IC software company in Moscow, Russia concerning a 50% discount on the upcoming procurement of a large set of 1C platforms. Subsequently, a company was selected (DAAC Sistem) and a discount was obtained, effectively reducing the price of the budgeted software by three times from the initially estimated numbers. This allowed LGRP to come up with the initiative to use this opportunity to cover a larger number of partners with IMFS licenses and in addition to have a completely automated financial system of an administrative unit in Moldova based on Ialoveni rayon.

While the selected company finalized the development of the IMFS, the Fiscal Improvements team organized an orientation meeting in Ialoveni for representatives of approximately 23 communities. This meeting, held on May 10, 2005, introduced the concept of the pilot project for implementing the Integrated Municipal Financial Software to the mayors from Ialoveni rayon. It was the first meeting to launch the project. During the meeting the rayon chairman expressed his general support for the idea and recognized potential benefits for the participating communities.





The Fiscal Improvements team organized a demonstration of the preliminary version of the Integrated Municipal Financial Software for a LEPA working group on May 24-25, 2005. At the meeting, DAAC Sistem representatives had a detailed discussion of all the inputs and outputs of the software with eight representatives of LEPA, consisting of public accountants and economists. As a result, all the comments and suggestions were taken into consideration in order to finalize the IMFS.

In September 2005, the Fiscal Improvements team finalized the installation of IMFS in 49 LGRP partner communities. During this first step, the "1C buhgalteria" platform was installed on appropriate computers in local government accounting offices. Future steps include reaching the ratio of one computer per two employees of local *primaria* accounting offices or tax collectors' offices and the installation of a local area network (LAN) to link all the computers from accounting and tax collectors' offices. Together with the three pilot communities, the total number of local governments in which IMFS has been installed is 52.

A meeting was organized on September 28, 2005 to coordinate the issues of IMFS implementation with the mayors and accountants from the villages of Ialoveni rayon. A useful exchange of opinions took place and further steps were identified in order to fully automate accounting operations and implement IMFS in those communities. Outstanding issues have been identified such as unfinished training courses on microcomputers and problems with platform installations due to some technical or software troubleshooting. The Fiscal Improvements team presented the Integrated Municipal Financial Software implementation plan for the coming months. The same presentation was done at the mayors' meeting in Cahul for all LGRP partners.

The launch of training sessions is planned to enhance the implementation of IMFS. Future plans also include the possibility to promote IMFS as the standard accounting software for Moldovan local governments. This could be achieved through collaboration between the LEPA and LGRP in offering the software to non-partners during the course of the project, and by LEPA on its own after the project's completion.

### 3. Initial Training for New Partner Communities

Based on the previous year's experience with the training schedule for new partners, as well as the results of the assessment of training needs questionnaires carried out by the Fiscal Improvement team, it was decided to change the format of the initial training for new partners. Previously, all training sessions were approximately one week long and included mostly training on the use of microcomputers (one or two days) and financial training (three days), which focused primarily on how to conduct a budget hearing. This year, several important changes were made:

- In order to increase the number of participants and to train all the accountants and tax collectors from *primarias* on microcomputers, the trainings were conducted in the respective communities rather than in Chisinau, where previously only a few accountants from each *primaria* could attend. Thus some positive results were achieved for a lower cost.
- Based on the evaluation of the questionnaires and brainstorming during the quarterly Financial Applications Users' group meetings, the training on financial issues was extended to two weeks instead of a maximum of three days as in previous years.



This training cycle on financial issues is conceptually different from previous cycles for the following reasons:

*First*, it consists of two modules of one week each, the first of which takes place in August and the second in September. This is due to the fact that we decided to enlarge the scope and focus of the financial training and performance of the local governments based on the needs expressed by LGRP partners.

*Second*, LGRP decided to include a wide range of topics on financial management, starting with theoretical ones and gradually moving into their practical applications. Our distinguished lecturers from the LEPA, Academy of Economic Studies, State University and others will present topics on principles of local autonomy, methodology of evaluating fiscal base and budget process, issues of accounting and grant management, taxes and fiscal decentralization.

*Third*, for the first time our project, in cooperation with DAAC Sistem, we will introduce IMFS, which we believe will fully automate financial operations at LGRP partner municipalities. Use of IMFS will substantially increase productivity and improve job diversity at participating LGRP partner municipalities.

The Fiscal Improvements team organized the first week of finance officers' intensive professional training. The training took place during August 15-19, 2005 on the premises of the Academy of Public Administration. At the training local government finance officers were initiated in LGRP and especially in FI team activities, and were informed about the League of Economists and Public Accountants. Participants were provided with such trainings as grant management, local autonomy, fiscal policy, methodological issues of public accounting, budgetary system reform in Moldova, taxes and fiscal decentralization, and the organization of budgetary public hearings. Participants were also informed about the implementation of Integrated Municipal Financial Software in Moldova, presented by representatives of IMFS implementing company Daac Sistem.

The second week of professional management training for finance officers' representatives of LGRP partner communities was organized during the week of September 12-16, 2005 with the participation of 73 communities, the total number of communities involved. The second week of financial management training focused on the practical aspects of financial management in local government, including such issues as accounting and legal issues of local government finance. At the end of the course certificates were given to every participant. CDs and handouts with all training materials were also distributed.

#### **4. Technical Assistance to Partner Communities and Public Budget Hearings**

Technical assistance to partner communities, including assistance with public budget hearings, is an essential part of the collaboration between LGRP and partner communities, as it ensures the sound growth of local personnel skills and capacity building in the area of financial management. On-site assistance has focused mainly on budget preparation and analysis, tax collections forecasting, the use of spreadsheet applications for accounting purposes, and preparations for public budget hearings. New types of assistance were offered with the implementation of demonstration projects, as a result of which Fiscal Improvement team members performed a liaison function to help with the project preparation phase in addition to traditional technical assistance activities.

For most of FY 2005, technical assistance to partner communities continued as in the previous year but a new trend started to emerge as a result of the implementation of the Integrated Municipal Financial Software. Namely, technical assistance with spreadsheet financial applications continued but diminished as the IMFS emerged as an integrated solution versus the partial solutions that were offered by spreadsheet applications. Further assistance will be focused mostly on IMFS implementation and related issues. Assistance for public budget hearings and budget preparation and analysis will continue as part of ongoing on-site assistance; however, it is anticipated this will take place mostly with new partners as more experienced partners become more independent and increasingly carry out these tasks with their own capabilities.

*In the area of public budget hearings, on-site assistance included the following:*

- FI team provided technical assistance by phone, fax, and e-mail, as well as during visits to the 12 localities (Vatici, Floresti, Donduseni, Biruinta, Rosu, Balti, Sangerei, Briceni, Sangera, Strasen, Nisporeni, Antonesti), with the aim of organizing public budget hearings.
- Prepared and assisted four public hearings on budget in the following localities: Balti, Briceni, Strasen and Singera. This included budget analysis (current and prospective) and technical support with presentations (PowerPoint slides, equipment, etc.). Provided technical assistance by phone, fax, and e-mail, as well as during visits to the aforementioned communities, with the view of organizing the public budget hearings.
- Assisted mayor of Ialoveni to develop a budget analysis and built several Microsoft Excel charts representing the evolution of both joint and local budgets of Ialoveni town during 2002 (actual) – 2005 (projected) aiming to show to interested parties (councilors, citizens, government officials, etc.) the process of distribution of funds collected in the territory of Ialoveni.

*Some examples of technical assistance with financial management issues:*

- Assisted Mayor Formuzal from Ceadir-Lunga to prepare a PowerPoint presentation with charts and pictures regarding management of fixed assets for the international conference “Cities to Cities: Sharing Successes in Municipal Management” in Yerevan, Armenia.
- Assisted Mayor Formuzal from Ceadir-Lunga to prepare a PowerPoint presentation on economic and budgetary issues of Ceadir-Lunga for the international conference “Gagauz Eri – 10 years,” held in Ceadir Lunga.
- Assisted mayor of Ialoveni to prepare a PowerPoint presentation with Microsoft Excel charts on budget execution for 2004 to be presented to councilors of Ialoveni and representatives of budgetary and private institutions. This report was presented at the annual meeting of the Ialoveni Council, at which a representative of the Fiscal Improvement team participated as well.



*Some examples of technical assistance on financial applications spreadsheets:*

- Assistance to Briceni and Basarabeasca concerning the use of the accounting applications installed was provided by phone.
- Following the request of the chief accountant from Calarasi mayor's office, the FI team performed an on-site training in Calarasi. The accountants were trained how to introduce corrections in the spreadsheet and automate parents' payment for kindergarten.
- At the request of the chief accountant from Drochia, intensive on-site training on the automation of parents' payment for kindergarten was initiated. In order to optimize the training program the accountant was provided with all necessary handouts (easy-to-understand training materials).
- Based on the request from Cristesti and Ciurleasa (Nisporeni), the Fiscal Improvements team continued to provide training on the use of the water billing software. In particular, the accountants received additional training on how to introduce modifications into the database of consumers, on the page format of print documents, and on the obligatory requirements for keeping the registry of accounting documents.
- The Fiscal Improvements team provided on-site technical assistance to Drochia. A local area network connection between two computers was set up in the finance department of the mayor's office, thus allowing the accountants to work simultaneously with the same database (when using different software applications), to facilitate the exchange of information and to print documents. The accountant responsible for keeping the accounting of parents' payments for kindergarten was additionally trained how to issue payment orders, and as a result three kindergartens were automated.

*In the area related to IMFS implementation the following on-site assistance was rendered:*

- Assessed additional technical needs (e.g., hardware, networks) of three selected local governments – Ialoveni, Cahul, and Floresti - where the pilot project with Integrated Municipal Financial Software will be carried out.
- Purchased, delivered and installed two computers for accountants from Floresti *primaria* in order to prepare their equipment to the minimum standards required for the installation of the automated accounting software. This is a part of the pilot project implemented with three *primarias*: Ialoveni, Floresti and Cahul.

*Other types of on-site technical assistance offered by the Fiscal Improvements team included the following examples:*

- Fiscal Improvements specialist assisted Ocnita, Briceni, Viisoara, Gribova, Straseni, Cornesti, Falesti, Ungheni, Balti, Biruinta, Sangerei, and Rosu local governments to develop application forms in order to implement demonstration projects in their communities. This was done also as

part of liaison activities with the respective communities. As a result the communities Biruinta, Rosu, Donduseni, Ocnita, Briceni, Gribova, presented acceptable projects to the Municipal Services Team.

- Performed a visit to Donduseni and Drochia as a strategic plan liaison in order to discuss with mayors and secretaries of local councils about their strategic plan implementation, and opportunities to apply for grants in order to implement activities stipulated in their work plans. Both communities received sample application forms and showed their commitment to submit project proposals.

## **B. Component 2: Democracy and Governance**

The community strategic planning process is considered the foundation of promoting citizen participation in the decision making process aimed to enhance responsiveness, transparency, and accountability in municipal affairs. Thus far, this process has proved to be instrumental in encouraging interaction between local government officials and citizens. In LGRP Moldova, the community strategic planning process has evolved to be the key first step in working with a new LGRP local government partner. A truly participatory community strategic planning process is increasingly seen by LGRP as the foundation upon which all future cooperation, training/technical assistance and development is based.

As the requests for strategic planning assistance are proliferating among local governments all across Moldova, LGRP has considered creating/developing a cost-effective approach that will ensure sustainability of the community strategic planning process in Moldova beyond the life of the LGRP Project. In this context, in 2003, the Association of Mayors and Local Communities in Moldova (AMLCM) was sub-contracted on a "sole-source" basis to provide community strategic planning assistance. That previous effort was not publicly competed, as it was a part of an effort specifically targeted at institutional strengthening of the AMLCM. However, as more indigenous institutions/organizations manifest potential capacity to deliver community strategic planning, LGRP has initiated a broader, general "request for proposals" process.

On 25 March 2005, LGRP issued a "Request for Proposals" (RFP) for provision of assistance in community strategic planning. Eight organizations expressed interest and registered as potential bidders. Based on meticulous technical review, the Business Consulting Institute (BCI) was considered to be the most plausible offeror possessing sound corporate, management and technical capacity to properly provide services required by the RFP. Thus, BCI was subcontracted to do community strategic planning assistance and related services on behalf of LGRP for selected local government partners in Moldova.

During this period, strategic planning assistance was provided in total to 41 LGRP local partners, of which 19 were new partner communities developing new strategic plans and 22 were jurisdictions updating existing strategic plans. Among these communities, seven partner local communities (Comrat, Edinet, Geamana, Balti, Taraclia, Cantemir, and Molesti) developed/updated strategic plans partially or completely financed by local governments. During the reporting period, thirty-seven (37) LGRP partner communities officially adopted community strategic plans by action of the local council after a formal public hearing, i.e. twenty-one (21) new strategic plans and sixteen (16) updated community plans. The community strategic plan is an official document that guides community development for a long-term period.



In October 2004, LGRP provided technical assistance to the Moldova Apa Canal Association (MACA, Association of Water Utilities) in developing a draft organizational strategic plan for the next five years of its activity. This was the initial effort of MACA to develop a comprehensive, detailed and transparent organizational strategic plan. The planning team consisted of 15 persons who represented various water utility organizations (members of MACA). Andrew Popelka, the LGRP Short-Term Adviser in municipal services and the LGRP Chief of Party, Duane Beard attended the workshop as technical consultants. The initial draft of the MACA strategic plan was presented at the Second National Water Symposium. On 28 December 2004, the Board of Directors of MACA officially approved the organizational strategic plan. This organizational strategic planning effort is part of a larger LGRP initiative for overall institutional strengthening with MACA.

## 1. Citizen Participation/Transparency

Citizen participation is a critical element in strengthening confidence in public trust and empowering local governments to achieve greater transparency, accountability and responsiveness. The ultimate result of this endeavor is a community that enjoys a broad consensus regarding its shared common vision and where grassroots democracy complements the operations of local governments units. LGRP promotes citizen participation in local decision-making processes through various means, including roundtables, workshops, and public hearings.

Over the reporting period and within the community strategic planning cycle, the above-mentioned forms of citizen participation were explored widely. Public hearings, for instance, were a relatively new tool of citizen participation in local governance in Moldova and during the reporting period, a total of 55 public hearings were held. Thirty-one of those hearings, at which 2066 people participated, were convened to draft new or to update existing community strategic plans. In total, 234 people testified at the public hearings on community plans. Their proposals and comments most often referred to different aspects of community development and were aimed at improving the quality of the draft strategic plans. Citizens drew the attention of the officials and audience to local economic development issues as being the most urgent and important aspect for the community's well being. Additionally, proposals to take immediate decisive actions in regard to autonomous heating systems, sanitation/solid waste management, potable water and natural gas supplies and other municipal services were expressed very frequently. Speakers mentioned the need for changing old behaviors/attitudes and for building efficient public-private partnerships.

Public budget hearings are part of the logical sequence in the cycle of events/activities contained in the budget calendar. In FY2005, there were 24 public hearings held on the draft annual budget at which 1681 people participated. In total, 96 people testified at the public budget hearings. Among the speakers were council members, teachers, pensioners, managers of municipal enterprises, police officers and other citizens. Citizens expressed concern about weak financial management, lack of transparency in the budget cycle, and the instability of local government finances. Citizens made proposals that referred to various aspects of local fiscal policy, such as schools, kindergartens, and hospitals and to the taxation of small and medium enterprises.

## 2. Best Practices Competition

The purpose of the best practices competition is to improve local government management in the Republic of Moldova through the dissemination and replication of indigenous, innovative, and effective models in selected areas of local government operations. In FY 2005, the second competition took place, covering the usual five categories: (i) citizen participation; (ii) economic development; (iii) innovative organization; (iv) municipal services; and (v) municipal finance.

Similar to the previous year, the call for nominations was advertised in fall 2004 in the national newspaper *Moldova Suverana*, local/regional newspapers, and in the newsletter "Mayor," which is distributed nationwide to all mayors. LGRP also encouraged mayors attending the Quarterly Mayors Meeting (QMM) held in October 2004 to submit a nomination. Twenty-seven communities submitted 34 proposals, 31 of which came from LGRP partner communities. The selection committee evaluated the nominations based on priority of function, cost effectiveness, transparency, verifiability, documentation, sustainability, demo potential, and suitability for the best practices guide.

During the May 2005 QMM, LGRP held a Recognition Ceremony for the communities who participated in the Best Practices Competition. At the banquet participants were recognized for their efforts and awards were presented to three categories. Category I-Best Practice: Edinet (two nominations), Ialoveni, Carahasani, Biruinta, Chiscareni, Cantemir, Zberoaia and Ceadir-Lunga received a set of Professional Books and a plaque; Category II-Honorable Mention: Basarabasca, Geamana (two nominations), Causeni, Ocnita, Pascani (two nominations), Selemet, Stefan-Voda, Razeni, Ciuciulea, Briceni, Ungheni (two nominations), Hrusova, Carahasani and Viisoara also received a set of Professional Books and a plaque; Category III-Certificate of Participation: Marinici, Vatici and Dubasarii-Vechi, received a framed Certificate of Participation. At the award banquet, participants were recognized by the United States Ambassador to Moldova for their efforts. In her remarks at the presentation, Ambassador Hodges congratulated the leaders of the communities for their high performance in improving local government management in Moldova and their commitment to the process of reform in local government.

## 3. Municipal Association Development - Quarterly Mayors Meetings

Quarterly Mayors Meetings (QMM) are viewed by LGRP as an important opportunity for local elected officials to build an efficient inter-municipal cooperation and a means of sharing 'home-made' best practices and dissemination of information. From October 2004 to September 2005, LGRP organized four Quarterly Mayors Meetings.

- The first QMM took place on October 21-22, 2004 in the LGRP partner community the City of Ungheni. The QMM was integrated with the Second National Water Symposium, which focused thematically on the "Development and Efficient Operations of Water and Wastewater Systems." Water is an important issue for the communities and local public authorities. To facilitate sharing of experiences and lessons learned among professionals in the field, the symposium included a study tour to the city government and water utility of the nearby city of Iasi, Romania, a major regional center across the Prut River about 40 kilometers from Ungheni. The visit included a meeting with the Mayor of Iasi and with the management of Iasi Regional Water Utility. Symposium participants visited the Iasi wastewater treatment facility and were able to see firsthand a highly automated



facility and to observe new and efficient methods of modern wastewater treatment. Forty-six mayors attended the event.

- The second QMM took place on January 20-21, 2005 at the premises of the Academy of Public Administration. The approved LGRP work program through July 2007 was outlined for the assembled mayors. Additionally, representatives of other USAID programs in Moldova gave presentations about their respective projects (e.g., Citizen Participation Project and Land Privatization Support Project). Representatives of the Association of Ukrainian Cities and the Association of Romanian Municipalities were invited to represent their organizations and specifically to speak about their respective Local Government Web pages. Sixty-three mayors from LGRP partner communities attended. Additionally, 11 Peace Corps Volunteers working in Economic Development with mayors in LGRP partner communities were also in attendance.
- The third QMM took place on May 11-12, 2005 at the Academy of Public Administration and was attended by 83 mayors, the highest number in attendance thus far. Adapting to the ever-growing number of partner communities, LGRP offered concurrent sessions for the first time in addition to the plenary/panel discussions. The new format allowed maintaining manageable group sizes and gave partners the flexibility in choosing the topics most interesting to them. During the QMM the new cohort of twenty LGRP local government partners was introduced to their colleagues. The meeting also addressed such key issues in the operation of local governments operation as local revenues and legal aspects of private and public property. On the first evening of the QMM, May 11, a Recognition Ceremony for the communities who participated in the Best Practices Competition 2005 was conducted.
- The fourth QMM took place on September 29-30, 2005 in the LGRP partner community the City of Cahul. The QMM was integrated with the Third National Water Symposium. The purpose of the event was to establish a forum for the discussion and presentation of water utility solutions by senior management and local elected officials. At the same time, the symposium aimed to promote principles of efficient water and wastewater system operations among these categories of public administrators. On the second day of the QMM, the participants had the opportunity, with the support of Romanian Water Association, to visit the newly reconstructed water and wastewater system in nearby Braila, Romania. Seventy-two mayors participated in the event.

#### **4. Community-Based Organizations**

During the reporting period, LGRP worked directly with community-based associations of consumers of municipal services, particularly water and dwellers' associations, providing technical assistance and training in organizational development aimed at spurring active involvement in municipal services and/or community development projects.

In September 2005, LGRP conducted a two-day training workshop for Water Consumer Associations. The event took place in the LGRP partner community, the village of Zberoaia, which has a completely new highly efficient running water system. On the first day of training, seven communities interested in how to start up a Water Consumers Association were trained. Three people, including the mayor, represented each community. These people are anticipated to become an ad hoc task force in creating future water consumers associations in their respective communities. On the second day, seven communities were



trained in strengthening/developing existing Water Consumers Associations, also represented by three people each: the mayor, the president of the Water Consumers Association and the accountant. The turnout of the attendees was outstanding and the interest was high and genuine. Coupled with the best attitude possible on behalf of trainers this generated a constructive atmosphere throughout the workshops. In total 19 trainees were trained on the first day and 22 on the second. As a whole, both one-day training programs were well received and appreciated.

During the same month, LGRP conducted a one-day training program in Ialoveni for community groups with an interest in creating dwellers' associations. In total five communities interested in how to start up a dwellers' association were trained, with three to four people representing each community. The training program went well overall and the structure and presented topics were of interest to the participants, although it is recommended that similar trainings for beginners in dwellers' associations in the future encompass a wider range of issues.

## **5. Academy of Public Administration**

During the reporting period, LGRP conducted a variety of activities in collaboration with the Academy of Public Administration (APA), which implicitly strengthens the capacity of this institution. LGRP rented APA facilities (educational and/or lodging) for major activities such as QMM, IMFS user group meetings, and computer applications seminars. Periodic meetings of the League of Accountants from Public Administration were also held at the APA. LGRP provided the APA with an Internet subscription for the periods October 2004 - May 2005 and August 2005 - September 2005. As a result of the services procured by LGRP from the APA, an amount of US\$ 11,840 was transferred, which is a significant stream of money for the budget of this institution.

LGRP worked with the APA for the provision of different training events envisaged by the Work Program. The most distinguished faculty members of the Academy of Public Administration were involved directly by the LGRP as CCN sub-contractors in training design and the actual delivery of training events. Thus, Tudor Deliu and Tatiana Savca designed, prepared training materials and then conducted a series of one-day training sessions for Secretaries of local councils from LGRP partner communities. Council Secretaries are generally the highest-ranking public administration professionals in a city administration. Training events were clustered in six groups according to the geographic area and took place in six localities: Cimislia (for southern partners), Ceadir Lunga (for Russian-speaking partners), Balti (for northern partners), Orhei (for eastern partners) and Chisinau at the APA (for partners from the central part of Moldova). In total 72 Secretaries attended these seminars and were familiarized with the legal framework of secretaries' duties, peculiarities of the decision-making process in local public governance, and correspondence and other aspects of secretaries' activities. Tatiana Saptefrati, another APA faculty member, was involved in the design and the actual training workshops for water and dwellers' associations for LGRP local partners.

## **C. Component 3: Municipal Services Improvements/Demonstration Projects**

### **1. Training on Efficient Water Supply Operations for Small Systems**

During FY2005, LGRP conducted trainings based on the Manual for Efficient Water Supply Operations - Small Systems (MEWSO-SS). MEWSO-SS, developed by LGRP, is designed with the objective of



providing necessary information and assistance to small water consumers' associations aiming to make the technical, financial, and management aspects of their operations more efficient. Small community water consumers' associations face many of the same financial, technical, and managerial issues as larger cities. However, they may encounter greater challenges in finding appropriate assistance.

From March 2005 to September 2005, LGRP organized four training sessions for 67 participants (including mayors, chairpersons, accountants, and engineers) from 27 small water consumers' associations/municipalities.

The trainings encompassed topics such as preparation of the action plan for water consumers' associations, introduction to management audits, the management audit plan, preparation of data and information requests, commercial activity description, human resources, training, public relations, emergency planning, performance benchmarking, conducting the technical audit, operation and maintenance, system statistics and parameters, pump operations, operation of distribution systems, metering devices, pump maintenance, development and use of indicators, tariff policy and tariffs, financial forecasts, and potential sources of finance.

## **2. Water Utility Action Plans**

As a result of trainings delivered by LGRP, based on the Manual for Efficient Water Supply Operations - Small Systems and Manual for Efficient Water Supply Operations (MEWSO), six water utilities/small water consumers associations (Ungheni, Balauresti, Comrat, Rosietici, Floresti, Cristesti) developed water utility action plans. All Action Plans were officially approved by local councils of these communities. The objective of the Action Plans is to accurately assess the current situation at the water utility through an operations audit, identify the strategic issues, and determine the necessary steps to achieve the goal of improving operational efficiency while minimizing the operating costs and ensuring greater sustainability of operations. Based on the audit results, the Action Plan also provides a set of necessary improvements in technical, financial and management aspects of the operation. The Action Plan determines the anticipated required investments and proposes implementation schedules. The implementation of the Action Plans turns into a priority for communities that compete for demonstration project assistance in the area of water system improvements. For example, the Town of Comrat has renovated an important part of the water supply system, and in the case of Leova and Ungheni, pump stations were renovated. The Municipal Services team directly assisted LGRP partners with preparing and developing Action Plans for improvement of their water utilities operations.

## **3. Cooperation with Partners**

The cooperation with the Swiss Agency for Development and Cooperation (SDC) continued during FY2005 and consisted mainly of joining efforts for implementing and assuring sustainability of water supply projects in Moldova.

In March 2005, the Local Government Reform Project, SDC, and the World Bank Moldova Water and Sanitation Project signed a three-way statement of cooperation for a joint effort to implement a pilot water supply project in the village of Corjevo. The main part of the funding will be provided on a grant basis as

part of the World Bank rural element of the water supply rehabilitation program (Wat/San Phase I) in Moldova.

#### 4. Demonstration Projects Annual Report

During October 2004 - September 2005, activities related to demonstration projects were carried out in several areas:

***Demonstration Projects Program Design.*** Municipal Services team specialists designed an accelerated system of evaluating community project proposals; selecting the projects; assessing the need for design work; purchasing materials and services; and monitoring implementation, reporting, and environmental protection. Information on previous USAID programs and other donor experience on small project initiatives in Moldova has also been collected and analyzed. The information collected served as the basis for adapting the systematic approach required for selection and implementation processes.

***Training, Technical Assistance, and Implementation.*** Required documents for the application package and complete procedures were established and the information was disseminated through five training sessions on Project Design and Management. About 80 participants from 64 LGRP partner communities attended these events (January-February 2005).

With respect to Demonstration Projects' operations, LGRP provided resources for those projects that meet community needs established in their officially adopted community strategic plans. LGRP also provided technical assistance and on-site consultancies aimed at improving issues in such areas as potable water, heating, solid waste management and other areas considered critical by beneficiaries in the LGRP partner communities.

During FY2005, 42 Demonstration Projects were carried out and successfully completed. The projects were implemented all across Moldova, with 29 projects in urban areas and 13 projects in rural areas. The breakdown by project type is as follows:

- a) Water Supply Systems Rehabilitation Demo Projects: 11
- b) Heating Alternatives Demo Projects: 10
- c) Solid Waste Management Demo projects: 13
- d) Roads Rehabilitation Demo Projects: 5
- e) Other: 3

***Evaluation and Improvement of the Implementation Strategy.*** In October 2005, the Municipal Services team reviewed the results of the Demonstration Projects activity, extracted the lessons learned and refined the strategy for the selection and implementation of demonstration projects to avoid common problems and also to ensure fairness, sustainability, transparency, and project quality. The main area for improvement is to maximize the efficiency of resources, mainly transportation and travel time.

It is worth mentioning that the Demonstration Projects benefited from the participation of representatives of USAID Moldova, the U.S. Embassy in Moldova, and other American, local and international officials that



attended the official project openings. Such events were also covered by the national mass media, promoting a positive image of LGRP/USAID in Moldova.

### **Task # 3 – Strengthen the Capacity of Indigenous NGOs and Association(s)**

#### **Municipal Finance Officers Association (LEPA) – IMFS Users’ group**

FY2005 marked a significant breakthrough with respect to LGRP cooperation with LEPA. LEPA began to introduce administrative and conceptual changes in its operations, with the assistance of the Fiscal Improvements team. Additionally, LEPA began reforming the organization and strengthening its ties to LGRP partner communities.

On March 10-11, 2005, following more than two and a half years of cooperation between LGRP and LEPA, the largest General Meeting of LEPA since its establishment in 2002 was conducted with the support of the Fiscal Improvements team. Most of the participants at the meeting were LGRP partners who became members at the end of 2004. At the meeting significant amendments to the old LEPA by-laws were voted. Also, a new two-year Action Plan was adopted and a new Board elected. This event encompassed the work of the Fiscal Improvements team's specialists with the LEPA managing board over several months during which new by-laws were drafted taking into account the experience of similar associations in the United States and Europe; a detailed work plan was drafted taking into account cooperation between LGRP and LEPA; and day-to-day coordination and logistics occurred to integrate LGRP partners into LEPA.

On April 14, 2005, LEPA members and the Fiscal Improvements team organized a meeting for the newly elected LEPA Administrative Council (in its newest composition since its foundation in 2002). Out of 12 Administrative Council members, two accountants are LGRP partner representatives. Basic organizational issues were tackled in order to begin normal LEPA operations. The Council decided on entrance and annual fees for members. Based on the available budget, the Council decided to make preliminary proposals for activities to be performed during the year 2005. During the Administrative Council meeting, Council members discussed issues such as entrance and annual contributions of members, LEPA budget, personnel to be remunerated, and the registration procedure of modifications to the Charter. The Fiscal Improvements team assisted with logistical aspects of the meeting by carrying out tasks such as delivering invitation letters, proposing the meeting agenda, and sending a post-meeting summary to all members about issues discussed.

Since April 2005, regular contact between LEPA and LGRP became common and several Quarterly Financial Applications Users’ group Meetings were organized with the participation of both LEPA members and leadership. Moreover, LGRP involved and consulted LEPA while implementing IMFS, which resulted in LEPA becoming an active promoter of IMFS in Moldova, with the potential to take over its administration in the future.

#### **National Water Utility Association (MACA) – National Symposium of Water Utilities**

The Local Government Reform Project continued its efforts to institutionally strengthen the national municipal type association, the Moldova Apa-Canal Association (MACA). On 28 December 2004, the MACA Board of Directors officially acted to adopt MACA's first-ever organizational strategic plan for the Association. This organizational strategic plan was prepared with broad participation from the Association's membership. The strategic plan was developed via a carefully designed series of transparent and highly

participatory steps. This organizational strategic planning effort is part of a larger LGRP initiative at overall institutional strengthening with MACA. The MACA strategic plan was developed with the very active assistance LGRP specialists.

The most important activities co-organized by the Local Government Reform Project and the Moldova Apa-Canal Association during this reporting period were the two National Symposiums of Water Utilities:

- On 21-22 October 2004, the Second National Water Symposium, focusing on the "Development and Efficient Operations of Water and Wastewater Systems," took place in Ungheni, Moldova. This important event targeted specialists and organizations in Moldova who are active in the field of water and wastewater operations, and sought to establish a forum for the discussion and presentation of water utility solutions by senior management and local elected officials. At the same time, the symposium aimed to promote principles of efficient water and wastewater system operations among these categories of public administrators. The event included 166 participants, including mayors, city councilors, managers and chief accountants from water utilities as well as a delegation from the national water utility association of Romania, "ARA." As part of the symposium, a study tour took place to the city of Iasi, Romania. In Iasi, participants visited the city's modern water utility and attended a meeting with the Mayor of Iasi.
- On 29-30 September 2005, LGRP successfully co-supported Moldova's Third National Water Symposium. The event included 187 participants, including mayors, local elected councilors, managers and chief accountants of Moldovan Water Utilities as well as a delegation from the National Water Utility Association of Romania, "ARA." The second day of the symposium included a field visit to the newly reconstructed water and wastewater system in the nearby city of Braila, Romania.

### **Strengthening the Institutional Foundation for Reform**

LGRP recognizes the need of developing and updating technical knowledge of local institutions in order to have a sustainable development. The Technical University of Moldova proved to be a reliable partner in conveying the message of modern, energy efficient, environmentally friendly concepts. In 2005 Local Government Reform project signed a statement of Cooperation with the Technical University, the Faculty of Urbanism and Architecture. It is worth mentioning, that 2005 was the second year that a LGRP employee delivered lectures at Technical University on Water Supply Distribution Modeling, using advanced software, materials, and technical assistance provided by LGRP.

## **III. LIST OF DOCUMENTS BY PROGRAM COMPONENT**

### ***Fiscal Decentralization (Annex A of this report)***

*Tenth Quarterly Financial Applications Users' group Meeting*

*Eleventh Quarterly Financial Applications Users' group Meeting*



*Twelfth Quarterly Financial Applications Users' group Meeting and General Meeting of League of Economists and Public Accountants of Moldova*

*Thirteenth Quarterly Financial Applications Users' group Meeting*

*Professional Training Package in Financial Management*

*Training Program Package in Microcomputers*

*Orientation Meeting for Communities from Ialoveni Rayon*

***Democracy and Governance (Annex B of this report)***

*Report on Strategic Planning Effort*

*RFP Package on Strategic Planning*

*Report on Best Practices Competition*

*Training Package on Workshop for Water Users' Associations*

*Training Package on Workshop for Dwellers' Associations*

***Municipal Services/Demonstration Projects (Annex C of this report)***

*Report on the 3<sup>rd</sup> National Symposium "Development and Efficient Water and Wastewater Systems Operations"*

*Report on the Efficient Water Supply Operations Training Program Based on MEWSO*

*Comrat Water Utility Action Plan*

*Report on Training Program for Demonstration Projects' Application Process (Project Design and Management, PD&M)*

## **ANNEX A**

### **FISCAL DECENTRALIZATION**

1. Tenth Quarterly Financial Applications Users' Group Meeting
2. Eleventh Quarterly Financial Applications Users' Group Meeting
3. Twelfth Quarterly Financial Applications Users' Group Meeting and General Meeting of the League of Economists and Public Accountants of Moldova
4. Thirteenth Quarterly Financial Applications Users' Group Meeting
5. Professional Training Package in Financial Management
6. Training Program Package in Microcomputers
7. Orientation Meeting for Communities from Ialoveni Rayon

## 10<sup>th</sup> FINANCIAL APPLICATIONS USERS' GROUP MEETING

26-27 October, 2004

Chisinau, Academy of Public Administration of Moldova

### AGENDA

26<sup>th</sup> of October 2004, Tuesday

	Group A (Romanian)	Group B (Russian)
8:15 - 8:45	Breakfast	
09.25 – 9:30	Greeting the participants, Duane C. Beard, Chief of Party LGRP	
09.30 – 10.50	New system of depreciation of fixed assets In local communities, Sofia Anghel, vice-director of State Treasury of Moldova	State regulations on budget planning for local governments for 2005, Tatiana Manole, University lecturer.
10.50-11.10	Coffee break (APA canteen)	
11.10-13.00	New system of depreciation of fixed assets In local communities (continuation). Modifications to the legislation regarding local public accounting.	State regulations on budget planning for local governments for 2005 (continuation)
13.00-14.00	Lunch (APA canteen)	
14.00-15.40	State regulations on budget planning for local governments for 2005, Tatiana Manole, University lecturer.	New system of depreciation of fixed assets In local communities, Sofia Anghel, vice-director of State Treasury of Moldova
15.50-16.10	Coffee break (APA canteen)	
16.00-18.00	State regulations on budget planning for local governments for 2005 (continuation)	New system of depreciation of fixed assets In local communities (continuation). Modifications to the legislation regarding local public accounting.
18.30-21.30	Dinner	



**27<sup>th</sup> October 2004, Wednesday**

**Agenda  
of enlarged meeting of Administrative Council of League of Economists  
and Public Accountants of Moldova (LEPA)**

*27 October 2004*

9.00 – 9.05	Greeting the participants, Eugen Hristev, Team Leader, LGRP
9.05 – 9.20	Opening the meeting LECPM, Elena Proca, President of LEPA
9.20 – 9.30	Questions and answers related to the speech of E.Proca
9.30 – 9.50	Speech of the vice-president of LEPA Manole Tatiana regarding the activity of LEPA
9.50 – 10.00	Questions and answers related to the speech of Mrs. Tatiana Manole
10.00 – 10.15	Report of Mrs.Svetlana Arionescu regarding the strategic plan of LEPA
10.15 – 10.30	Questions and answers related to the speech of Mrs. Svetlana Arionescu
10.30 – 10.45	Coffee break
10.45 – 11.30	Role of LEPA member and procedure of member acceptance, Mrs.Tatiana Manole
11.30 – 12.00	Recommendations on inclusion of modifications to the charter of LEPA, Svetlana Arionescu and Eugen Hristev
12.00 – 12.30	Informing the participants about the up-coming General Meeting of LEPA members, Elena Proca, President of LEPA

**USAID LOCAL GOVERNMENT REFORM PROJECT**  
**10<sup>TH</sup> QUARTERLY USER GROUP MEETING**  
**October 26-27, 2004**  
**List of participants:**

#	Locality	Name of participant
1	Anenii Noi	Lariasa Caraseni
2	Anenii Noi	Ana Fauzulina
3	Antonesti	Lilia Banari
4	Basarabeasca	Valentina Anufrei
5	Basarabeasca	Melania Aricova
6	Bălți	Irina Zvereva
7	Biruinta	Ludmila Stanila
8	Briceni	Liubovi Cebotari
9	Cahul	Elena Heghea
10	Cantemir	Svetlana Novitchi
11	Calarasi	Maria Dranicer
12	Căușeni	Sofia Prisăcaru
13	Ceadîr Lunga	Svetlana Caraman
14	Ceadîr Lunga	Elena Chiseeva
15	Colibași	Maria Lupan
16	Cornești	Elena Jumir
17	Comrat	Svetlana Pometco
18	Comrat	Maria Mavrodi
19	Cricova	Ludmila Oboznaia
20	Dondușeni	Aliona Vasilevschi
21	Drochia	Raisa Caladare
22	Drochia	Valeriu Pașigriv
23	Edineț	Nina Costăș
24	Edineț	Maria Zatusescaia
25	Floresti	Nina Daivas
26	Glodeni	Olga Oroșan
27	Gribova	Ala Plugari
28	Hîncești	Anastasia Cebotareva
29	Ialoveni	Ana Darii
30	Ialoveni	Elena Palii
31	Leova	Maria Dobrea
32	Nisporeni	Svetlana Dima
33	Nisporeni	Tatiana Guțu
34	Ocnîța	Tatiana Cotic
35	Rezina	Aglaia Maznic
36	Singera	Eugenia Baci
37	Singerei	Larisa Andriuta
38	Soroca	Antonina Andriuta



39	<b>Staseni</b>	Larisa Cekan
40	<b>Suruceni</b>	Liubovi Suruceanu
41	<b>Taraclia</b>	Maria Caraghios
42	<b>Taraclia</b>	Antonina Stoianova
43	<b>Vatici</b>	Natalia Vieru

## **REPORT ON 10<sup>TH</sup> QUARTERLY LGRP FINANCIAL APPLICATIONS USERS' GROUP MEETING**

The Fiscal Improvements team conducted the 10th Financial Applications User Group (FAUG) meeting at the Academy of Public Administration on October 26, 2004, which registered a large number of attendees from partners communities – 43 participants (see attached list of participants).

During the Users' Group meeting, the Fiscal Improvements team distributed questionnaires to assess the specific training needs of local governments. Some completed questionnaires were collected at the end of the meeting, and most of them will be collected and analyzed shortly after.

The meeting consisted of two major parts divided by days. On the first day the participants participated at two related training sessions, during which they asked and received answers to particular questions. The trainings covered such topics as "New system of depreciation of fixed assets" and "State regulations on budget planning for local governments for 2005." The last one was taught by Tatiana Manole, University lecturer and member of the board of the League of Economists and Public Accountants. In order to deliver better the information to participants, the Fiscal Improvements team organized the trainings in two groups: Romanian and Russian. In the evening of the first day the participants at the meeting were invited at a restaurant to meet informally.

During the second day, at the request of the finance officers, the Fiscal Improvements team organized an enlarged meeting of the Board of Leagues of Economists and Public Accountants of Moldova (LEPA), during which they were informed about the association, history, goals and plans for future. Following the meeting most participants decided to submit applications to become LEPA members.

Digital photographs taken at the Meeting can be accessed at:

\\Common\Photos and Presentations\5\_Photos 2005\02\_Fiscal improvements\10th UGM

## 11<sup>th</sup> FINANCIAL APPLICATIONS USERS' GROUP MEETING

16-17 December, 2004

Chisinau, Academy of Public Administration of Moldova

### AGENDA

Thursday, 16 December, 2004

	Group A (Romanian)	Group B (Russian)
8:15 - 8:45	Breakfast	
09.25 – 9:30	Greeting the participants. Duane C. Beard, Chief of Party LGRP	
09.30 – 10.50	Practical aspects related to public accounting and budgeting of local governments in Moldova, Elena Proca, President of League of Economists and Public Accountants	Management of municipal property, Viorel Furdui, University lecturer, expert IDIS Viitorul
10.50-11.10	Coffee break	
11.10-13.00	Practical aspects related to public accounting and budgeting of local governments in Moldova (continuation)	Management of municipal property (continuation), Viorel Furdui, University lecturer, expert IDIS Viitorul
13.00-14.00	Lunch	
14.00-15.50	Public procurements of local governments according to new legislation in Moldova, Teodor Potirniche	Practical aspects related to public accounting and budgeting of local governments in Moldova, Elena Proca, President of League of Economists and Public Accountants
15.50-16.10	Coffee break	
16.10-18.00	Public procurements of local governments according to new legislation in Moldova (continuation)	Practical aspects related to public accounting and budgeting of local governments in Moldova (continuation)
18.30-21.30	Dinner	

**Friday, 17 December, 2004**

	<b>Group A (Romanian)</b>	<b>Group B (Russian)</b>
8:15 - 8:45	Lunch	
09.00 – 11.20	Management of municipal property, Viorel Furdui, University lecturer, experd IDIS Viitorul	Public procurements of local governments according to new legislation in Moldova, Teodor Potirniche
11.20-11.35	Coffee break	
11.35 – 13.00	Stages of implementation in LGRP local government partners of Integrated Municipal Financial Software based on 1C Accounting 8.0 software platform, Ivan Sirbu, Project Manager of implementing company Daac-Sistem	
13.00-14.30	Lunch	

**USAID LOCAL GOVERNMENT REFORM PROJECT  
11TH QUARTERLY USER GROUP MEETING**

**December 16-17, 2004**

**List of participants:**

<b>#</b>	<b>Locality</b>	<b>Name of participant</b>
1	<b>Anenii Noi</b>	Tatiana Catan
2	<b>Anenii Noi</b>	Angela Fauzulina
3	<b>Basarabeasca</b>	Elena Chiosea
4	<b>Cantemir</b>	Svetlana Novitchi
5	<b>Calarasi</b>	Maria Dranicer
6	<b>Ceadir Lunga</b>	Elena Calinjic
7	<b>Ceadir Lunga</b>	Elena Chiseeva
8	<b>Chirileni</b>	Maria Patrascu
9	<b>Cornești</b>	Elena Jumir
10	<b>Comrat</b>	Maria Mavrodi
11	<b>Cricova</b>	Ludmila Oboznaia
12	<b>Cricova</b>	Diana Munteanu
13	<b>Drochia</b>	Raisa Caladare
14	<b>Drochia</b>	Valeriu Pașigriv
15	<b>Edineț</b>	Nina Costăș
16	<b>Edineț</b>	Maria Zatushevsciaia
17	<b>Glodeni</b>	Olga Oroșan
18	<b>Gribova</b>	Ala Plugari
19	<b>Ialoveni</b>	Ana Darii
20	<b>Ialoveni</b>	Elena Palii
21	<b>Ocnita</b>	Tatiana Cotic
22	<b>Orhei</b>	Vera Ursu
23	<b>Singera</b>	Eugenia Baci
24	<b>Taraclia</b>	Maria Caraghios
25	<b>Taraclia</b>	Antonina Stoianova
26	<b>Ungheni</b>	Valentina Ogordnic
27	<b>Vatici</b>	Natalia Vieru
28	<b>Vulcanesti</b>	Serghei Chircu

## **REPORT ON 11<sup>TH</sup> QUARTERLY LGRP FINANCIAL APPLICATIONS USERS' GROUP MEETING**

On December 16-17, with the support of Fiscal Improvements team, the 11th Financial Applications Users' Group Meeting took place at the premises of the Academy of Public Administration of Moldova. About 30 participants were present from the partner communities of LGRP (see agenda and list of participants in the appendices).

In order to organize the meeting, the Fiscal Improvements team prepared corresponding invitations, letters to Academy of Public Administration, distributed handout materials, etc. A diverse training program has been proposed to the accountants from the LGRP partner local governments, which included an update on the government procurement practices that will be enacted starting from 2005; overview of the most common errors in local government accounting; a overview of the legal framework governing the municipal property; and an introduction to the "1C" accounting software, which will serve as a basis for the Integrated Municipal Financial Software to be developed and implemented starting with 2005.

According to tradition, the group of participants was split into two groups: Romanian and Russian.

Digital photographs taken at the Meeting can be accessed at:

\\Common\Photos and Presentations\5\_Photos 2005\02\_Fiscal improvements\11th UGM



**12<sup>TH</sup> FINANCIAL APPLICATIONS USERS' GROUP MEETING**  
**GENERAL MEETING OF LEAGUE OF ECONOMISTS & PUBLIC ACCOUNTANTS OF MOLDOVA**

**March 10-11, 2005**  
**Chisinau, Academy of Public Administration**

**AGENDA**

**Thursday, March 10, 2005**

- 9:30-10:00** Registration of LEPA members & LGRP representatives. Provision of LEPA members with voting cards.
- 10:00-10:10** Greeting the participants – LEPA members & LGRP representatives. Collaborations of LEPA & LGRP  
*Duane C. Beard, Chief of Party LGRP*
- 10:10-11:20** Training session “News in Methodology of Municipal Accounting and Treasury operations”, *Sofia Anghel, Vice-Director of Treasury Department, Ministry of Finance*
- 11:20-11:40** **Coffee break** (at the canteen of Academy of Public Administration)
- 11:40-13:00** Continuation of training session “News in Methodology of Municipal Accounting and Treasury operations”  
*Sofia Anghel, Vice-Director of Treasury Department, Ministry of Finance*
- 13:00-14:00** **Lunch** (at the canteen of Academy of Public Administration)
- 14:00-15:00** Presentation by Daac-Sistem on implementation of Integrated Municipal Financial Software  
*Ivan Sîrbu, Project Manager, DPS "DAAC Sistem" SRL*
- 15:00-15:15** Opening of the general meeting of League of Economists & Public Accountants of Moldova, Election of the Chairman of the General Meeting of LEPA members  
*Elena Proca, President of League of Economists & Public Accountants of Moldova*
- 15:15-15:35** Report on activities performed by LEPA during the years 2002-2004  
*Elena Proca, President of League of Economists & Public Accountants of Moldova*
- 15:35-15:50** Discussions on LEPA activity report
- 15:50-16:10** **Coffee break** (at the canteen of Academy of Public Administration)
- 16:10-17:30** Proposals on introduction of modification to the Charter of League of Economists & Public Accountants of Moldova  
*Manole Tatiana, Member of Administrative Council of League of Economists & Public Accountants of Moldova*

**17:30-18:00** Discussions on modifications to LEPA Charter

**18:30-21:00** **Dinner at Codru Restaurant**

**Friday, March 11, 2005**

**8:15-8:45** **Breakfast** (at the canteen of Academy of Public Administration)

**9:00-10:20** Work in groups on modifications to LEPA Charter

**10:20-10:50** Presentations of each group on modifications to LEPA Charter

**10:50-11:10** **Coffee break** (at the canteen of Academy of Public Administration)

**11:10-11:40** Plan of activity of LEPA for the period 2005-2007.  
*Arionescu Svetlana, LEPA member*

**11:40-12:00** Discussions on LEPA activity plan for 2005-2007

**12:00-12:20** Approval of modifications to the Charter of LEPA

**12:20-12:30** Election of the Administrative Council of LEPA

**12:30-12:40** Election of the president of LEPA

**12:40-12:50** Election of the Censor Committee of LEPA

**12:50-13:00** Closing General Meeting of LEPA Members

**13:00-14:00** **Lunch** (at the canteen of Academy of Public Administration)

**14:00** Travel reimbursement & Depart of participants

## **REPORT ON 12<sup>TH</sup> FINANCIAL APPLICATIONS USER GROUP MEETING COMBINED WITH THE GENERAL MEETING OF LEAGUE OF ECONOMISTS AND PUBLIC ACCOUNTANTS (LEPA)**

The Fiscal Improvements team organized the 12th Financial Applications User Group meeting combined with General Meeting of League of Economists and Public Accountants (LEPA) members. This was the first event of this kind. Based on this experience, LGRP Fiscal Team plans to gradually support the transmittal of such activities to LEPA upon the termination of the project. As a result of more than two and a half years of cooperation between LGRP and League of Economists and Public Accountants (LEPA), with the support of Fiscal Improvements team on March 10-11, the largest General Meeting of LEPA was conducted since its establishment in 2002. Most of the participants at the meeting were LGRP partners who became members at the end of 2004. At the meeting significant amendments to the old LEPA by-laws were adopted. Also, a new two-year Action Plan was adopted and new Board elected. This event encompassed the work of Fiscal Improvements team specialists with the LEPA managing board over the last half a year. During this time new by-laws were drafted taking into account the experience of similar associations in US and Europe; a detailed work plan was drafted taking into account the cooperation among LGRP and LEPA; and a day-to-day approach to coordination and logistics was developed to integrate LGRP partners into the LEPA. Investigations are currently underway for developing additional suitable means of institutional strengthening on LEPA to enable it to evolve into a modern municipal finance officers association for Moldova.

The event took place in the premises of the Academy of Public Administration. More than 60 participants (local government finance officers) were present at this event (see attached agenda and list of participants).

Digital photographs taken at the Meeting can be accessed at:

\\Common\Photos and Presentations\5\_Photos 2005\02\_Fiscal improvements\12th UGM



202 Stefan cel Mare Avenue, Chisinau, MD 2004, Moldova

Tel: +373 22 233-000

Fax: +373 22 754 433

E-mail: [info@lgrp.md](mailto:info@lgrp.md)

**13<sup>TH</sup> FINANCIAL APPLICATIONS USERS' GROUP MEETING  
MEETING OF LEAGUE OF ECONOMISTS & PUBLIC ACCOUNTANTS OF MOLDOVA**

**30 June – 1 July, 2005  
Chisinau, Academy of Public Administration of Moldova**

**AGENDA**

**Thursday, June 30, 2005**

- |                    |   |
|--------------------|---|
| <b>9.30-10.00</b>  | Registration of participants  |
| <b>10.00-10.10</b> | Greeting the participants – LGRP partner representatives and LEPA members.<br><i>Duane C. Beard, Chief of Party LGRP</i>  |
| <b>10.10-11.30</b> | Methodological regulations and recommendations on local budgets preparation for 2006. <i>Maria Ciupercă, Chief of the Direction local budgets, Ministry of Finance of Moldova</i>   |
| <b>11.30-11.50</b> | <b>Coffee break</b>   |
| <b>11.50-13.15</b> | Methodological regulations and recommendations on local budgets preparation for 2006. <i>(continuation)</i>   |
| <b>13.15-14.00</b> | <b>Lunch</b>  |
| <b>14.00-15.45</b> | Remuneration of local government employees<br><i>Gheorghe Sircu, chief of the Labor Direction, Ministry of Economy and Commerce</i>   |
| <b>15.45-16.00</b> | <b>Coffee break</b>   |
| <b>16.00-16.45</b> | Presentation of Integrated Municipal Financial Software in local governments.<br><i>Ivan Sîrbu, Project Manager, DPS "DAAC Sistem" SRL</i><br><i>Eugen Hristev, Fiscal Improvements Team, LGRP</i>                            |
| <b>16.45-18.30</b> | Analysis of training necessities in local public finances and financial management.<br><i>Working in groups (moderators: Tatiana Manole, Svetlana Arionescu, Vitalie Ioviță, Vitalie Șubă, Eugen Hristev, Lilia Tverdun).</i> |
| <b>19.00-21.00</b> | <b>Reception</b>  |

**Friday, July 1, 2005**

- |                    |  |
|--------------------|--|
| <b>09.00-09.45</b> | Presentation and final approval of the last draft of LEPA charter<br><i>Elena Proca, president of LEPA, Tatiana Manole, member of Administrative Council of LEPA</i> |
|--------------------|--|



- 09.45-11.00** Working in groups to prepare legislative amendments to the legislation  
*moderators: Elena Focșă, Sofia Prisăcari, Maria Drăniceru,  
Elena Proca, Iurie Prisăcari, Nina Brînzilă, Ana Vasiloi, Iurie Bobeică.*
- 11.00-11.30** **Coffee break**
- 11.30-12.45** Presentation and discussions of group work during the plenary session.  
*Moderators of the groups*
- 12.45-13.00** Evaluation of results of work of the quarterly meeting
- 13.00-14.00** **Lunch**



**FINANCIAL APPLICATIONS USER GROUP MEETING /  
MEETING OF LEAGUE OF ECONOMISTS & PUBLIC ACCOUNTANTS OF MOLDOVA**

30 June - 1 July 2005

**List of participants:**

	<b><i>Community</i></b>	<b><i>Name of the participant</i></b>
1.	Anenii Noi	Tatiana Catan
2.	Anenii Noi	Tatiana Fauzulina
3.	Balti	Irina Zvereva
4.	Badiceni	Leonid Teghinean
5.	Badiceni	Ludmila Toma
6.	Bardar	Zinaida Iovu
7.	Biruinta	Ludmila Stanila
8.	Bratuleni	Elena Galea
9.	Cahul	Elena Heghea
10.	Calimanesti	Galina Rauga
11.	Calarasi	Iurie Bobeica
12.	Cantemir	Svetlana Novitchi
13.	Causeni	Sofia Prisacaru
14.	Causeni	Simion Buga
15.	Ceadir Lunga	Svetlana Caraman
16.	Ceadir Lunga	Elena Chiseeva
17.	Cetireni	Clavdia Nica
18.	Ciutesti	Maria Adam
19.	Chetrosu	Eugenia Chihai
20.	Chetrosu	Emilia Moraru
21.	Chirileni	Maria Patrascu
22.	Colibasi	Maria Groza
23.	Comrat	Maria Mavrodi
24.	Comrat	Lilia Curteva
25.	Cornesti	Elena Jumir
26.	Donduseni	Aliona Vasilevschi
27.	Donduseni	Maria Blajevscaia
28.	Drasliceni	Elena Efros
29.	Drochia	Raisa Caldare
30.	Drochia	Galina Zavorotnii
31.	Drochia	Irina Vita
32.	Echimaui	Liuba Cuzuioac
33.	Edinet	Stela Botnaru
34.	Giurgiulesti	Lidia Pambuc
35.	Glodeni	Larisa Cojocar



36.	Gribova	Liliana Hodorogea
37.	Hincesti	Valentina Decenco
38.	Horodiste	Sofia Moscalenco
39.	Ialoveni	Elena Palii
40.	Iurcenii	Ludmila Tabirta
41.	Leova	Maria Dobrea
42.	Negureni	Svetlana Munteanu
43.	Negrea	Maria Gututui
44.	Nisporeni	Nina Brinzila
45.	Orhei	Vera Ursu
46.	Pascani	Tamara Tomciuc
47.	Pirlita	Svetlana Bondari
48.	Rezina	Arcadie Musinschi
49.	Riscani	Aculina Tabirta
50.	Rusestii Noi	Vera Zasnenco
51.	Singera	Eugenia Baci
52.	Singerei	Larisa Andriuta
53.	Soldanesti	Iurie Prisacari
54.	Soroca	Maricica Carp
55.	Straseni	Vera Manole
56.	Suruceni	Liubovi Suruceanu
57.	Taraclia	Antonina Stoianova
58.	Tareuca	Natalia Cuzuioc
59.	Tipala	Maria Nicolai
60.	Ulmu	Nina Munteanu
61.	Zambreni	Aliona Cojocar
62.	Varzaresti	Zinaida Capatina

## **GENERAL REPORT ON 13<sup>TH</sup> LGRP FINANCIAL APPLICATION USERS' GROUP MEETING COMBINED WITH 2<sup>ND</sup> GENERAL MEETING OF LEPA**

On June 30-July 1, LGRP supported the Second General Meeting of the League of Economists & Public Accountants (LEPA) jointly with the 13th LGRP Financial Applications Users' group. The event took place at the Academy of Public Administration. At the meeting participated more than 60 representatives of local government partners, finance officers from Ialoveni County, and League of Economists & Public Accountants members representing non-LGRP partner communities. The main focus of the training was on the budget planning cycle for the local communities. New subjects such as financial forecasts and medium term financial planning were introduced to participants. The presentation of the final results of the Integrated Municipal Financial Software were presented to the participants by the implementing company – DAAC Systems. Moreover, at the request of the most of the participants new subjects such as labor code issues and their financial implications were presented by the representative of the department of labor.

For the first time, LGRP charged LEPA representatives to organize several professional trainings and Round tables. Consequently, the Executive director of LEPA employed two persons to provide trainings during the user group meeting to their members and LGRP finance officers. The training covered such subjects as "Remuneration of public employees and other aspects of Labor code" and "Particularities of local governments budgeting for 2006." During the user group meeting, two workshops were organized both by the Fiscal Improvements team and LEPA. During the first one, finance officers worked in four groups using the SWOT (strengths, weaknesses, opportunities and threats) analysis regarding the assessment of their training needs. During the second workshop finance officers were divided also into four groups (1<sup>st</sup> group – fiscal code Title VII, 2<sup>nd</sup> group – protection of Finance officers rights, 3<sup>rd</sup> group – relations between different levels of local authorities, 4<sup>th</sup> group – execution of local budgets) in order to revise and propose legislative amendments.

During the meeting, participants discussed and proposed amendments to the charter of the League of Economists and Public Accountants.

Digital photographs taken at the Meeting can be accessed at:

\\Common\Photos and Presentations\5\_Photos 2005\02\_Fiscal improvements\13th UGM



## DESIGN OF THE FINANCIAL MANAGEMENT TRAINING FOR LOCAL GOVERNMENT FINANCE OFFICERS

*Cycle 1: August 15-19, 2005*

### Historic background

According to the LGRP Work Plan, the Fiscal Improvements team organizes Training on Microcomputers and Financial Management Training for newly selected LGRP partners once a year. If in the past these two trainings were combined into one and conducted for all partners in Chisinau, starting with 2005 another approach has been implemented. This training design is conceptually different from the previous ones. The training on microcomputers has been separated into a separate training which was suggested to be organized in respective localities for better efficiency and results. The Financial Management Training has been extended from virtually three-days training to a two-week training.

### Description

**First**, it consists of two modules of one week each (instead of three days as it used to be) first of which is this one in August and the second one in September. This is due to the fact that FI team decided to enlarge the scope and focus of the financial training and performance of the local governments based on the needs expressed by your colleagues, also LGRP partner.

**Second**, LGRP decided to include a wide range of topics on financial management, starting with theoretical ones and gradually moving into their practical applications. The distinguished lecturers from the LEPA, Academy of Economic Studies, State University and others will present topics on principles of local autonomy, methodology of evaluating fiscal base and budget process, issues of accounting and grant management, taxes and fiscal decentralization.

**Third**, for the first time LGRP, in cooperation with DAAC System, presented the Integrated Municipal Financial Software, which we believe will fully automate the operations and will be a great help in your activity by substantially increasing the productivity and diversifying the job of the accountants from the partner-communities.

### Main goals of the Cycle 1:

The first cycle of the training was designed with the goal to introduce the accountants of the new partner communities to the overall institutional framework of the activities of LGRP and LEPA, as well as to give them a background of legal and theoretical issues related to budgeting and fiscal reforms in Moldova.

Below are the main goals for the first cycle:

- Acquaintance of the accountants from the new partner-communities with the institutional framework of the co-operation with the LGRP;
- Acquaintance with the activity of LGRP partner-organizations such as League of Economists and Public Accountants from Moldova (LEPA);

- Acquaintance with the Principles of local autonomy inserted into the European Chart of the Local Government;
- Introduction to the basic elements of the budgetary theory and performance budgeting issues
- Issues of fiscal decentralization for local governments

### **Expected outcomes of the first training cycle:**

1. Knowledge of the institutional framework of partnership with LGRP
2. Increased knowledge of the legal and theoretical framework of financial management in Moldova
3. Increased knowledge of the financial management concepts, including the public hearings on budget

### **Detailed design**

About fifty participants from LGRP newly selected partner communities, including those from Ialoveni raion, were present at the first training cycle. The training took place at the premises of the Academy of Public Administration (APA) – the only specialized and dedicated institution in Moldova to the training of public servants. Taking account of the long-standing co-operation between LGRP and APA this is part of assistance given to the APA by LGRP to strengthen its capacity.

#### **09:30-10:00     Registration of Participants (30 min)**

Fiscal Improvements team together with the LGRP administrative unit registered the participants and provided them a set of materials with the presentations for the entire one week event in either Romanian or Russian languages, including the agenda of the one week training, relevant copy of laws and a copy of the European Chart of Local Self-government.

#### **10:00-10:30     Presentation of LGRP, Duane C. Beard, Chief of Party (30 min)**

LGRP Chief of Party, Mr. Duane Beard, made a brief introduction of the project's activity including the sequence of the events through which all new intakes have to go. Current training cycle is the first training event for accountants and tax collectors working in new partner-communities.

#### **10:30-11:10     Presentation of Fiscal Improvements Team, Eugen Hristev (40 min)**

Taking into consideration that the Financial Management Training included not only 20 new partners that went through the orientation session at the LGRP premises but also another 23 partners from Ialoveni raion taken as pilot project for the implementation of the Integrated Municipal Software (IMFS), fiscal improvements team prepared a presentation of the main issues of the team's activities as well as the IMFS implementation vision and schedule.

#### **11:10-11:30     Coffee Break**

In the cafeteria of the Academy of Public Administration (APA) all the participants are accommodated for the coffee break. This way not only a possibility of interaction among each other exists but also an opportunity to make new acquaintances among the colleagues from another locality.

**11:30-13:00      Presentation of LEPA.**

- Cooperation of LEPA with LGRP, Eugen Hristev
- Brief history, mission and objectives of LEPA, Svetlana Arionescu
- Strategy and Action Plan. Svetlana Arionescu
- Q & A. E.Hristev, S.Arionescu

During this session both LGRP representative, Mr. Eugene Hristev, Fiscal Improvements team leader, as well as the leadership of LEPA make a thorough presentation of the history and background of mutual co-operation, including the perspectives for future activities and benefits for the partner-communities to join this organization.

**13:00-14:00      Lunch**

As for the coffee beaks, the lunches are served in the cafeteria of the Academy of Public Administration (APA), where all the participants have another possibility of interaction among each other. Both training as well as other events such as quarterly users' group meetings of the partner-communities are used by the LGRP as important social events for building-up the necessary networks.

**14:00-18:00      Principles of local administration. S.Arionescu, Executiv Director of LEPA**

One of the corner-stones of the activity of the local administration, which lays down the foundations for the successful implementation of local policies and priorities is the European Chart of Local Government, to which Moldova is a signatory party, however, having more to implement then it did so far in this respect. Since this basic document to which Moldova adhered guides most of the local governments and constitutes the legal basis of the activity of many NGOs in the public finance sector. Such important message has to be delivered by the Executive Director of the LEPA, who is also an active member of the coalition of the local NGOs for Fiscal Decentralization.

**Tuesday, August 16**

**09:00-10:50      Issues of Fiscal Policy, Mrs. Secrieru Angela, Academy of Economic Studies of Moldova**

In order to bring up to date with the modern theory, as well as its application in Moldova's real policy a lecturer from the Academy of Economic Studies was invited to deliver a presentation on current issues of fiscal policy in Moldova. This presentation was based on the research paper, which was prepared for the Fiscal Decentralization forum and is an on-going effort of a group of researchers in the field of public finance. Dr. Angela Secrieru, author of a book and many articles in public finance was selected as one of the most reform oriented professor to present in front of the representatives of the LGRP partner-communities.

**11:10-16:00      Evaluation of fiscal base for the local budget. Sofia Prisăcaru, member of LEPA Council**

Although the training was focusing mainly on the theoretical aspects, it was designed to combine some practical issue based on real experience of the LGRP partner-communities, which also coincided in case of Mr. Sofia Prisacaru to be a member of LEPA board. This has triggered an additional interest from the present trainees – themselves accountants and tax collectors from local governments to see how their peers perform, as well as benefit from the others' experience.

**16:10-18:00      Presentation of the IMFS by DAAC Sistems, Ivan Sirbu.**

Since this training cycle coincided with the finalization of the creation of the Integrated Municipal Financial Software (IMFS), Fiscal Improvements team decided to introduce this component into the training design. Moreover, since among the new partners were those from Ialoveni pilot site, where IMFS has to be shortly tested and implemented this part of the training looked absolutely necessary. In addition, IMFS will become a standard accounting operation which will have to be taught for the other round of new partner-communities of LGRP. Therefore to present the newly designed software a head of the implementation unit of the subcontractor was invited to make such presentation.

**18:30-21:00      Dinner at the Codru Restaurant**

As it always has been LGRP policy the social interaction among partner-communities was also promoted to increase the co-operation among them which will increase their level of skills and will motivate them for further activities.

**Wednesday, August 17**

**09:00-13:00      Grant management. S.Arionescu**

Another important element for the future activity of the accounting office of the local government and especially in the current context of cooperation with LGRP, as well as with other international donors, is the ability of the local government officials to write grant proposals and manage the projects. Being one of the most important elements in the reliability for the successful implementation of the demonstration projects with LGRP, Fiscal Improvements team included this topic on the training agenda. One of the most relevant person to talk on these issues is Mrs. Svetlana Arionescu, who besides her function as Executive Director of LEPA, had a lengthy experience in grant and project management.

**14:00-18:00      Methodological issues of the accounting for local governments, Ana Vasiloï,  
member of LEPA Council**

As the other component this one also included the practical aspect of the issues of the grant management. This has to do with the accounting methodology of the grant money for the local government. One of the most experienced person both due to the personal experience and size of the local government being Chisinau municipality, is Mrs. Ana Vasiloï, who is also a member of the LEPA board.

**Thursday, August 18**

**09:00-13:00      Reformation of the budgetary system of Moldova, Dr. Patras, Moldovan State University**

Taking into account the major goal of the activity of the LGRP Fiscal Improvements team – improved financial management of the partner local government, the issue of the budgeting is one of the most important one. A perspective for the future reform in this area was prepared by the Dr. Patras, who is a notorious researcher in Moldova on these issues and as former member of the first Parliament of Moldova has a broad and interesting view on the issue. Following the mission of the LGRP as reform oriented institution, we promoted fresh and innovative issues for the local government officials in order to prepare them to confront and be prepared for the future challenges on this road.

**14:00-15:50      Taxes and fiscal decentralization, Dr Patras, and Ms. Castravet Lucia**

The issues of fiscal decentralization are one of the most debated issues in today's fiscal policy of Moldova and therefore LGRP Fiscal Improvement team prepared this presentation in order to better orient partner-communities in the complex issues of primary importance to them. A more sound fiscal base for the local communities will secure their financial autonomy with great positive impact on the quality of life for the ordinary citizens. The issues of most importance have been prepared by Dr. Patras and his research assistant – Ms. Castravet Lucia.

**16:10-18:00      External credits and borrowing for local budgets, Dr. Patras and Mr. Cibotaru Vitalie**

To complete the logical list of issues on financial management, Fiscal Improvements team included the topic of more and more importance for the local government – that of the external credits and borrowing. Despite that few of local governments have real experience in this field a great demand is raising and sometimes lack of knowledge by the local authority of how to attract and manage the loans present the bottleneck of the process.

**Friday, August 19**

**09:00-10:50      Legal issues of municipal property administration by Mr. Baiesu**

In order to get maximum benefits of one-time revenues or increase the level of effectiveness of the use of municipal property the issue was included into the training design for the accountants and tax collectors. Especially with the view of widespread malpractice in Moldova and lack of experience in this field, a lecturer from the State University was invited to make a presentation of one of his research subjects. This issue was suggested by the current LGRP partner communities, which did not benefited before of such training before but strongly recommended to include it in the initial training program due to its importance.

**11:10-13:00      Organization of public hearings on budget, Vitalie Iovita, LGRP**

A difference from the previous training design was that the training itself on public hearing on budget was done by one of the LGRP subcontractors – Business Consulting Institute (BCI) and not by LGRP staff. In this case, having this basic training already conducted in most of the new partner –communities, a member of FI team presented the major issues of the organization of the public hearing on budget, taking into account both positive and negative experience of the other partner-communities.

## AGENDA

### Financial Management Professional Training for local government finance officers Cycle 1: August 15-19, 2005

#### Monday, August 15

- 09:30-10:00 Registration of Participants
- 10:00-10:30 Presentation of LGRP, Duane C. Beard, Chief of Party
- 10:30-11:10 Presentation of Fiscal Improvements Team, Eugen Hristev, Team LEader
- 11:10-11:30 Coffee Break
- 11:30-13:00 Presentation of the IMFS by DAAC Sistems, Ivan Sirbu, IMFS implementing company  
Daac Systems
- 13:00-14:00 Lunch
- 14:00-15:50 Presentation of LEPA.
  - Cooperation of LEPA with LGRP, Eugen Hristev
  - Brief history, mission and objectives of LEPA, Svetlana Arionescu
- 15:50-16:10 Coffee break
- 16:10-18:00 Presentation of LEPA.
  - Strategy and Action Plan. Svetlana Arionescu, Executive Director of LEPA
  - Q & A. E.Hristev, S.Arionescu
- 18:00-19:00 Dinner at Academy of Public Administration

#### Tuesday, August 16

- 08:15-09:00 Breakfast at Academy of Public Administration cafeteria
- 09:00-10:50 Evaluation of fiscal base for the local budget. Sofia Prisacaru, member of LEPA Council
- 10:50-11:10 Coffee Break
- 11:10-13:00 Evaluation of fiscal base for the local budget (continuation)
- 13:00-14:00 Lunch
- 14:00-15:50 Principles of local administration. S.Arionescu, Executive Director of LEPA
- 15:50-16:10 coffee break
- 16:10-18:00 Principles of local administration. S.Arionescu, Executive Director of LEPA
- 18:30-21:00 Dinner at the Codru Restaurant

#### Wednesday, August 17

- 08:15-09:00 Breakfast
- 09:00-10:50 Grant management. S.Arionescu, Executive director LEPA
- 10:50-11:10 Coffee break
- 11:10-13:00 Grant management. S.Arionescu (continuation), Executive director LEPA
- 13:00-14:00 Lunch
- 14:00-15:50 Methodological issues of the accounting for local governments, Ana Vasiloï, member of LEPA Council
- 15:50-16:10 coffee break
- 16:10-18:00 Methodological issues of the accounting for local governments (continuation)
- 18:00-19:00 Dinner at APA

**Thursday, August 18**

08:15-09:00 Breakfast  
09:00-10:50 Reformation of the budgetary system of Moldova, Dr. M.Patras, Moldovan State University  
10:50-11:10 Coffee Break  
11:10-13:00 Reformation of the budgetary system of Moldova (continuation)  
13:00-14:00 Lunch  
14:00-15:50 Taxes and fiscal decentralization, Dr M.Patras, and Ms. Castravet Lucia  
15:50-16:10 Coffee break  
16:10-18:00 External credits and borrowing for local budgets, Dr. M.Patras and Mr. Cibotaru Vitalie  
18:00-19:00 Dinner at APA

**Friday, August 19**

08:15-09:00 Breakfast  
09:00-10:50 Issues of Performance budgeting by Mrs. Secrieru Angela, University lecturer, Academy of Economic Studies of Moldova  
10:50-11:10 Coffee break  
11:10-13:00 Organization of public hearings on budget, Vitalie Iovita, LGRP  
13:00-14:30 Lunch at APA

**USAID LOCAL GOVERNMENT REFORM PROJECT  
 FISCAL IMPROVEMENTS PROFESSIONAL TRAINING  
 15-19 August 2005**

**List of participants:**

<b>Nr.</b>	<b>Community</b>	<b>Name of Participant</b>
1.	Alexandreni	Ludmila Trihodco
2.	Badiceni	Larisa Cobalas
3.	Balasesti	Eufrosinia Ojoc
4.	Balauresti	Olga Mamaliga
5.	Bardar	Zinaida Iovu
6.	Biliceni Vechi	Tamara Rosu
7.	Bolduresti	Zinaida Ciobanu
8.	Bubuieci	Liudmila Busuioc
9.	Calfa	Victoria Maliuta
10.	Carbuna	Daria Sirbu
11.	Casunca	Elizaveta Dobinda
12.	Cazaclia	Elena Fazli
13.	Chiscareni	Liliana Spinu
14.	Cigirleni	Maria Odagiu
15.	Cisla	Aurica Bors
16.	Ciuciulea	Victoria Faina
17.	Cojusna	Ana Turcanu
18.	Copciac	Maria Capsamun
19.	Copciac	Galina Ciulac
20.	Costesti	Elena Pavalachi
21.	Cristesti	Lucia Rusu
22.	Dancenii	Tatiana Ungureanu
23.	Dobrusa	Ala Tincu
24.	Durlesti	Tamara Rosca
25.	Ermoclia	Angela Ursu
26.	Gangura	Galina Panfile
27.	Geamana	Svetlana Cociug
28.	Hansca	Svetlana Bostanica





29.	Horodca	Nina Podoleanu
30.	Hrusovo	Galina Scripnic
31.	Magdacesti	Ana Balan
32.	Malcoci	Valentina Gindea
33.	Marinici	Eudochia Ciornei
34.	Milestii Mici	Zinaida Cojocar
35.	Molesti	Rodica Panaite
36.	Neculaeucu	Elena Dodon
37.	Nimoreni	Elena Eremia
38.	Olanesti	Galina Rudenco
39.	Otaci	Svetlana Uboznaia
40.	Pelinia	Raisa Turcanu
41.	Pepeni	Vasile Pronciu
42.	Pereni	Ludmila Botezatu
43.	Peresecina	Eugenia Dorogoi
44.	Pohrebeni	Nadejda Clapaniuc
45.	Pojareni	Vasilita Afteni
46.	Pojareni	Lilia Munteanu
47.	Puhoi	Tataiana Paladi
48.	Razeni	Ioana Mardari
49.	Rosietici	Valentina Cenus
50.	Rosu	Daria Radion
51.	Rusestii Noi	Vera Zasmenco
52.	Sarata Galbena	Nadejda Prozorovschi
53.	Selemet	Elena Zavitchi
54.	Sireti	Maria Sulac
55.	Slobozia Mare	Violeta Lazari
56.	Sociteni	Elena Bachin
57.	Stefan Voda	Maria Gherman
58.	Talmaza	Eugenia Deliu
59.	Telenesti	Eugenia Garabajiu
60.	Tipala	Raisa Bumbur
61.	Tvardita	Ana Seghea

62.	Ulmu	Aculina Mocanu
63.	Vadul lui Voda	Elena Ojog
64.	Varatic	Nina Radu
65.	Viisoara	Nelea Catarau
66.	Zberoaia	Aliona Popescu
67.	Zberoaia	Stela Besleaga
68.	Zimbreni	Aliona Cojocaru
69.	Zorile	Maria Adomnita
70.	Zorile	Ala Singerean

## DESIGN OF THE FINANCIAL MANAGEMENT TRAINING FOR LOCAL GOVERNMENT FINANCE OFFICERS

*Cycle 2: September 12-16, 2005*

### Historic background

According to the LGRP Work Plan, the Fiscal Improvements team organizes Training on Microcomputers and Financial Management Training for newly selected LGRP partners once a year. If in the past these two trainings were combined into one and conducted for all partners in Chisinau, starting with 2005 another approach has been implemented. This training design is conceptually different from the previous ones. The training on microcomputers has been separated into a separate training which was suggested to be organized in respective localities for better efficiency and results. The Financial Management Training has been extended from virtually three-days training to a two-week training. The second cycle of the two-weeks training design has a more practical focus with the following characteristics.

### Description

**First**, it consists mostly of the methodological issues presented by the officials of the Ministry of Finance.

**Second**, practical aspects for the operations of the local government financial officers are presented by the experienced accountants.

**Third**, both technical and legal aspects of the activity of the finance officers are presented by the invited professors and notorious experts in the field.

### Main goals of the Cycle 2:

The second cycle of the training was designed with the goal to prepare the accountants of the new partner communities how to successfully work under the current legal and institutional constraints, which includes the following objectives:

- Increase the knowledge of the current legal framework and caveats of the legal system;
- Build the knowledge of the methodological aspects enacted by the Ministry of Finance for correct financial operations;
- Increase the level of the required skills in financial management techniques;
- Update the knowledge of the most important issues for local government financial operations such as salaries, procurement, local taxes and fees, etc.
- Provide a first hand advice from the specialists of the relevant state institutions such as State Fiscal Inspectorate, Ministry of Finance, etc.

### **Expected outcomes of the second training cycle:**

1. Good knowledge of the legal system relevant to the budgetary and financial operations of the financial officers in local governments
2. Good understanding of the financial management techniques and methodology.

### **Detailed design**

About fifty participants from LGRP newly selected partner communities, including those from Ialoveni raion were present at the second training cycle. The training took place at the premises of the Academy of Public Administration (APA) – the only specialized and dedicated institution in Moldova to the training of public servants. Taking account of the long-standing co-operation between LGRP and APA this is part of assistance given to the APA by LGRP to strengthen its capacity.

### **Monday 12 September**

#### **09:30-10:00      Registration of participants**

Fiscal Improvements team together with the LGRP administrative unit registered the participants and provided them a set of materials with the presentations for the entire one week event in either Romanian or Russian languages, including the agenda of the one week training, relevant copy of laws and presentation materials and handouts of the speakers.

#### **10:00-10:10      Greeting the participants, Eugen Hristev, Team Leader Fiscal Improvements Team LGRP**

Fiscal Improvements team leader greeted the participants of the second cycle of the training on financial management and emphasized on the major outcome that LGRP is expecting from these two-weeks training from our new partners.

#### **10:10-13:00      Treasury system of Moldova and its correlation with local governments, *Nina Lupan - director of treasury department – State Treasury, Ministry of Finance***

Since all local government conduct their daily financial operations via treasury system, detailed knowledge of their operations plays an important role for the well functioning system of local government finance. Based on this Fiscal Improvements team of the LGRP invited the head of the treasury department of the Ministry of Finance to make a presentation and deliver training to the new partner-communities on treasury operations and structure, as well as on up-coming reforms and new norms to be announced.

#### **14:00-18:00      Particularities of local public accounting for local governments in Moldova *Sofia Anghel - vice-director of State Treasury of Moldova, Ministry of Finance***

Another important issue in local government finances and accounting operations are the peculiarities of the accounting standards and norms. In this respect Fiscal Improvements team invited the former head of

accounting methodology unit of the Ministry of Finance, Mrs. Sofia Anghel. This training topic is intended to improve the skills of the accountants in the proper accounting methodology since most of the local governments due to the lack of experience of their accountants make many mistakes as noted by the Court of Accounts auditing reports. Based on previous experience of the LGRP trainings this topic was one of the most popular with the accountants.

### **Tuesday 13 September**

**09:00-13:00      Methodological aspects of local budgets development for 2006. *Tatiana Manole, Dr. of economy, university lecturer. Member of LEPA Administrative Council***

The training design included also the best timing for such training when most of the important issues such as quarterly reporting and preparation of new draft budgets are ahead and partner-communities may come prepared to the new fiscal year with increased knowledge in the field of financial management. In this respect the training on methodological issues for the new budgeting period comes handy for the accountants that will have shortly to return to their respective communities and start preparing the new budgets for the coming year. Dr. and Prof. Tatiana Manole in her capacity as member of the LEPA board has one of the largest experience in formation of the budgets specialists for the local government within the Academy of Public Administration.

**14:00-18:00      Practical aspects of local budgets development, *Elena Proca, president of LEPA***

As with the first cycle design Fiscal Improvements team preserved the design of combining the theoretical aspects of the topic with practical application of the subjects learned. In this regard the presentation of the Chairman of LEPA, Mrs. Proca was focusing on her experience in budget preparation for the Chisinau city. A range of caveats is presented in the training in order to illustrate the various challenges that face the accountants while preparing the basic input information into the budget data.

### **Wednesday 14 September**

**09:00-13:00      Current problems in labor legislation of local governments. *Tudor Capșa, Dr in law, University lecturer Institute of Labor of Trade Union of Moldova***

**14:00-18:00      Remuneration of public employees and other aspects related to Labor Code for local governments, *Gheorghe Sircu, University lecturer Institute of Labor of Trade Union of Moldova***

Important issues with many caveats for the local government employees, and especially accountants are related to the labor legislation and work compensation. This is due to the fact that as a result of the reform of the local administration and reduction of the number of employees of the *primarias* only few of them (namely those of the big towns) have lawyers. This had a negative impact on the well functioning of the most of them. That is why the Fiscal Improvements team decided to introduce this into the training for the accountants faces one-on-one with these issues. One of the best experts in the field were invited in order to make presentations – Mr. Tudor Capsa, prof. of law at the State University and Mr. Gheorghe Sircu, from

the Labor Union of Moldova. Both presentations were focused on the practical aspects of the labor issues and their impact on finances of local government.

#### **Thursday 15 September**

**09:00-13:00      Local taxes and fees, *Igor Fondos, Tax State Service*  
*Ion Echim, Tax State Service***

One of the basic issues in local government finances is the topic on local taxes and fees. Taking into account recent enactment of the Title VII of the Fiscal Code on local taxes and fees and implementation of the Title VI of the Fiscal Code on real-estate taxation most of the accountants need further training on their provisions and how they may improve the collection rate in their respective communities. However, this training was primarily designed for the tax collectors of the partner communities that also were invited to the training.

**14:00-18:00      Budgetary Reform and fiscal decentralization.  
*Dr. Mihai Patras, lecturer State University of Moldova***

With the view of the announced reform and European integration by the central government and important role will be assigned to the local governments and their functions. Since most of them depend on the scarce financial resources a further steps towards fiscal decentralization and ensuring a more stable source of revenue to local government is on the primary agenda. These and other topics were presented by Dr. Patras, as one of the most experienced person in this area.

#### **Friday 16 September**

**09:00-13:00      Public procurements in local governments of Moldova, *Teodor Potirniche, vice-director Agency of Public Procurements***

Due to the often-changed rules and norms of public procurement Fiscal Improvements team introduced another round of the training in public procurement rules. This is an important skill for the accountants from the partner – community taking into consideration the opportunity offered by the LGRP to implement demonstration projects, which require such procurements to be performed. Thus this last training component prepared both the theoretical and legal knowledge of the accountants, and practical skills of financial management that go with it.

## **Agenda**

### **Financial Management Professional Training for local government finance officers Cycle 2: 12-16 September 2005 Academy of Public Administration of Moldova**

#### **Monday 12 September**

- 09:30-10:00 Registration of participants
- 10:00-10:10 Greeting the participants, Eugen Hristev, Team Leader Fiscal Improvements Team LGRP
- 10:10-11:10 Treasury system of Moldova and its correlation with local governments,  
*Nina Lupan - director of treasury department – State Treasury, Ministry of Finance*
- 11:10-11:30 Coffee break (APA Canteen)
- 11:30-13:00 Treasury system of Moldova and its correlation with local governments (continuation).
- 13:00-14:00 Lunch (APA Canteen)
- 14:00-15:50 Particularities of local public accounting for local governments in Moldova  
*Sofia Anghel - vice-director of State Treasury of Moldova, Ministry of Finance*
- 15:50-16:10 Coffee break (APA Canteen)
- 16:10-18:00 Particularities of local public accounting for local governments in Moldova (continuation).  
Depreciation of fixed assets.
- 18:00-19:00 Dinner (APA Canteen)

#### **Tuesday 13 September**

- 08:15-09:00 Breakfast (APA Canteen)
- 09:00-10:50 Methodological aspects of local budgets development for 2006. *Tatiana Manole, Dr. o f economy, university lecturer. Member of LEPA Administrative Council*
- 10:50-11:10 Coffee break (APA Canteen)
- 11:10-13:00 Methodological aspects of local budgets development for 2006 (continuation).
- 13:00-14:00 Lunch (APA Canteen)
- 14:00-15:50 Practical aspects of local budgets development,  
*Elena Proca, president of LEPA*
- 15:50-16:10 Coffee break (APA Canteen)
- 16:10-18:00 Practical aspects of local budgets development (continuation)
- 18:00-19:00 Dinner (APA Canteen)

#### **Wensday 14 September**

- 08:15-09:00 Breakfast (APA Canteen)
- 09:00-10:50 Current problems in labor legislation of local governments.  
*Tudor Capșa, Dr in law, University lecturer Institute of Labor of Trade Union of Moldova*
- 10:50-11:10 Coffee break (APA Canteen)
- 11:10-13:00 Current problems in labor legislation of local governments (continuation).
- 13:00-14:00 Lunch (APA Canteen)
- 14:00-15:50 Remuneration of public employees and other aspects related to Labor Code for local governments,  
*Gheorghe Sircu, University lecturer Institute of Labor of Trade Union of Moldova*
- 15:50-16:10 Coffee break (APA Canteen)

16:10-18:00 Remuneration of public employees and other aspects related to Labor Code for local governments (continuation)  
18:00-19:00 Dinner (APA Canteen)

**Thursday 15 September**

08:15-09:00 Breakfast (APA Canteen)  
09:00-10:50 Local taxes and fees, *Igor Fondos, Tax State Service*  
10:50-11:10 Coffee break (APA Canteen)  
11:10-13:00 Local taxes and fees, *Ion Echim, Tax State Service*  
13:00-14:00 Lunch (APA Canteen)  
14:00-15:50 Budgetary Reform and fiscal decentralization.  
*Dr. Mihai Patras, lecturer State University of Moldova*  
15:50-16:10 Coffee break (APA Canteen)  
16:10-18:00 Budgetary Reform and fiscal decentralization (continuation)  
18:00-19:00 Dinner (APA Canteen)

**Friday 16 September**

08:15-09:00 Breakfast (APA Canteen)  
09:00-10:50 Public procurements in local governments of Moldova, *Teodor Potirniche, vice-director Agency of Public Procurements*  
10:50-11:10 Coffee break (APA Canteen)  
11:10-13:00 Public procurements in local governments of Moldova (continuation)  
13:00-14:30 Reception and ceremony of graduation (APA Canteen)



**USAID LOCAL GOVERNMENT REFORM PROJECT  
FISCAL IMPROVEMENTS PROFESSIONAL TRAINING  
12-16 September 2005**

**List of participants:**

<b>Nr.</b>	<b>Locality</b>	<b>Name of Participant</b>
1.	Alexandreni	Ludmila Prihodco
2.	Badiceni	Larisa Cobalas
3.	Balasesti	Eufrosinia Ojoc
4.	Balauresti	Olga Mamaliga
5.	Bardar	Zinaida Iovu
6.	Biliceni Vechi	Tamara Rosu
7.	Bolduresti	Zinaida Ciobanu
8.	Bubuieci	Liudmila Busuioc
9.	Calfa	Victoria Maliuta
10.	Carbuna	Daria Sirbu
11.	Casunca	Elizaveta Dobinda
12.	Cazaclia	Elena Fazli
13.	Chiscareni	Liliana Spinu
14.	Cigirleni	Maria Odagiu
15.	Ciuciulea	Victoria Faina
16.	Cojusna	Ana Turcanu
17.	Congaz	Svetlana Vilciu
18.	Copciac	Maria Capsamun
19.	Copciac	Galina Ciulac
20.	Costesti	Elena Pavalachi
21.	Cristesti	Lucia Rusu
22.	Danceni	Tatiana Ungureanu
23.	Dobrusa	Ala Tincu
24.	Durlesti	Tamara Rosca
25.	Ermoclia	Tatiana Gistemulte
26.	Gangura	Galina Panfile
27.	Geamana	Svetlana Cociug
28.	Hansca	Svetlana Bostanica

29.	Horesti	Aurica Damaschin
30.	Horodca	Nina Podoleanu
31.	Hrusovo	Galina Scripnic
32.	Magdacesti	Ana Balan
33.	Malcoci	Valentina Gindea
34.	Marinici	Eudochia Ciornei
35.	Milestii Mici	Zinaida Cojocaru
36.	Molesti	Rodica Panaite
37.	Nimoreni	Elena Eremia
38.	Olanesti	Galina Rudenco
39.	Pelinia	Raisa Turcanu
40.	Pepeni	Vasile Pronciu
41.	Pereni	Ludmila Botezatu
42.	Peresecina	Eugenia Dorogoi
43.	Pojareni	Vasilita Afteni
44.	Pojareni	Iulia Munteanu
45.	Puhoi	Tatiana Paladi
46.	Razeni	Maria Gureu
47.	Rosietici	Valentina Cenusă
48.	Rosu	Daria Arabadji
49.	Rusestii Noi	Vera Zasmenco
50.	Sarata Galbena	Nadejda Prozorovski
51.	Selemet	Elena Zavitchi
52.	Sireti	Maria Sulac
53.	Slobozia Mare	Violeta Lazari
54.	Sociteni	Elena Bachin
55.	Stefan Voda	Maria Gherman
56.	Talmaza	Eugenia Deliu
57.	Telenesti	Ecaterina Tcaci
58.	Tipala	Maria Nicolae
59.	Tvardita	Ana Seghea
60.	Tvardita	Ana Pascova
61.	Vadul lui Voda	Elena Ojog



62.	Varatic	Nina Radu
63.	Viisoara	Nelea Catarau
64.	Zberoaia	Aliona Popescu
65.	Zberoaia	Stela Besleaga
66.	Zimbreni	Aliona Cojocaru
67.	Zorile	Maria Adomnita
68.	Zorile	Ala Singereanu
69.	Ulmu	Nina Munteanu

# **Local Government Reform Project**

**and**

## **League of Economists and Public Accountants of Moldova**

by the present certify

**Zinaida CIOBANU**

has successfully graduated the training program

**“Financial Management improvement in local  
governments of Moldova”**

**Academy of Public Administration  
15-19 August 2005, 12-16 September 2005  
Chisinău, Moldova.**

---

**Duane C. Beard**

Chief of Party

---

**Elena Proca**

President of LEPA

## **REPORT ON PROFESSIONAL TRAINING IN FINANCIAL MANAGEMENT**

### **First module: 15-19 August, Second module: 12-16 September 2005**

The Fiscal Improvements team conducted an intensive two-week professional training session in Financial Management for local government finance officers in close cooperation with a Moldovan Municipal Officers organization - LEPA (League of Economists & Public Accountants) at the Academy of Public Administration. This training event was organized as the standard LGRP procedure to initiate its new partners in the subjects of financial management; however, this time both the length of the training and its scope were substantially enlarged.

The first week of training took place during the week of 15 to 19 August 2005 at the Academy of Public Administration. At the training event, local government finance officers were initiated into several LGRP operation areas and particularly in Fiscal Improvements team's activities. Participants were informed about the cooperation of LGRP with League of Economists and Public Accountants. At the training, participants received instruction in such areas as grants management, local fiscal autonomy, fiscal policy, methodological issues in public accounting, budget system reform in Moldova, tax administration, fiscal decentralization, and organization of public hearings on proposed budgets. Participants were also informed about the implementation of Integrated Municipal Financial Software (IMFS) in Moldova by LGRP. The IMFS information was presented by representatives of IMFS implementing subcontractor "DAAC Systems." This training cycle is conceptually different and has much greater technical depth than previous LGRP technical training in the financial area. Specifically the training consists the following:

- **First**, the program consists of two modules, one week each (compared to three days as provided previously). The first week is offered in August and the second week in September. This is designed to satisfy the growing needs of the finance officers for more comprehensive training in public finance.
- **Second**, LGRP included a wide range of topics on financial management, covering the theoretical principles of accounting and financial management and also, placing trainees in an environment where they can practice the skills directly in the classroom by solving case studies and real life accounting problems. Thus, specialists were afforded an improved opportunity for practice, and discussion of common issues. Distinguished lecturers from the LEPA, Academy of Economic Studies, Moldova State University and other institutions were recruited to present topics on principles of local autonomy, methodology of evaluating fiscal base and budget process, issues of accounting and grant management, taxes and fiscal decentralization.
- **Third**, for the first time LGRP in cooperation with DAAC Systems presented the Integrated Municipal Financial Software (IMFS). This software will fully automate the accounting operations and will substantially increase productivity and significantly strengthen reporting and analytical capacities.

On September 12-16, the Fiscal Improvements team in cooperation with LEPA (League of Economists & Public Accountants), organized the 2<sup>nd</sup> training module of professional training in financial management for finance officers of LGRP partner communities (in all financial staff members from 73 partner communities attended). One of the main focuses of the training was on the practical aspects of financial management in local governments' operations, including such issues as accounting and legal aspects of public finances. Participants graduated to the Integrated Municipal Financial Software (IMFS) Application Users' group and received certificates of accomplishment. Also CD-s, and handouts with all the materials distributed during the training were distributed.

## DESIGN OF THE TRAINING ON MICROCOMPUTERS FOR LOCAL GOVERNMENT FINANCE OFFICERS

### Historic background

According to the LGRP Work Plan, Fiscal Improvements team organizes once a year for the newly selected LGRP partners Training on Microcomputers and Financial Management Training. If in the past these two training were combined into one and conducted for all partners in Chisinau, starting with 2005 another approach has been implemented. This training design is conceptually different from the previous ones. The training on microcomputers has been separated into a separate training which was suggested to be organized in respective localities for better efficiency and results.

### Description

**First**, the training was extended to 30 hours to be taught during maximum a three-weeks period.

**Second**, the training is conducted by the local instructor and usually on the premises of city hall or in the local school.

**Third**, local instructor is always nearby to answer the questions even after the training.

### Main goals of the Cycle 2:

The training on microcomputers was designed with the goal to prepare the accountants of the new partner communities how to successfully work with the equipment delivered by the LGRP and especially within the automated accounting system by IMFS.

- Good experience with the basic MS Office products;
- Good knowledge of how to operate a computer;
- In-depth knowledge of the spreadsheets;
- Use in a day – to – day work new equipment that will reduce the work load.

### Expected outcomes of the first training cycle:

3. Good knowledge of the hardware operation and basic software
4. Practical application of the skills learned.

## **Detailed design**

About fifty participants from LGRP newly selected partner communities, including those from laloveni raion conducted the training in microcomputers in their respective communities. The training took place at the premises of the local schools in most of the cases with the instructor being the local teacher of informatics – the only available in small communities. Sometimes the training takes place at the premises of the primarias.

Trainings in microcomputers are delivered by the local teacher according to the following plan:

### **Introduction to microcomputers: 3 hours**

1. What is a monitor, processor, mouse, keyboard
2. What are the advantages of a computer
3. What is a folder, file, document, program. Types of files.
4. What is on the desktop, in the Start menu
5. How to find the necessary working program (i.e. MsWord, Ms.Excel)
6. What is stored in the Recycled bin

### **Operational System Windows, Explorer: 7 hours**

1. What is Explorer, How to use it, Where to find it
2. How to create and manage folders
3. How to structure folders, files
4. How to copy, move, delete files & folders.
5. Copying files to and from floppy disk
6. How to find a file / folder
7. Working with more programs in the same time
8. Useful simple programs (calculator, calendar)

### **Text redactor Microsoft Word: 10 hours**

1. Create a new file, Open a file, Save a file
2. Page setup
3. Preview document and Print a file (incl. Choose printer, # of copies)
4. File Menu
5. Edit menu
6. Format menu (incl. change case)
7. Working with text and Text formatting (font type and size, selection, cut, copy, paste, paste special, bold, italic, left, justified, right, centered, paragraph spacing, numbering, bullets, tabulation, text color)
8. Working with tables (formatting, merging, unmerging, insert, delete rows, columns, borders, colors)
9. Inserting pictures, objects
10. Working with drawing toolbar (text box, connections, word art)
11. Zoom

### **Spreadsheets: Microsoft Excel: 10 hours**

1. Menu items

2. Create, open, save, delete file
3. Page setup, Docs Preview and Print
4. Introduction to Excel Book, Sheets
5. Creating, modifying and deleting formulas (mostly mathematical)
6. Selection of rows, columns, areas, sheets
7. Print Options – print all, certain page(-s), selection
8. Working in 2 and more different sheets simultaneously, Freeze / unfreeze panes
9. Protection of cells, sheets and book (with / without passwords)
10. Inserting / Deleting rows / columns / sheets
11. Copying of information !!! Copying of formulas!!!
12. Format of cell (all kinds), Merge unmerge cells, wrap text
13. Borders format
14. Graphs / Charts
15. Paste special (values, formulas, formatting, transpose)
16. Sort, filter operations
17. What is a circular and how to avoid it.



## **LIST OF PARTICIPANTS AT THE MICROCOMPUTERS TRAINING COURSE:**

### **Congaz**

1. Caraseni Demian
2. Ratcov Gavril
3. Telipiz Marina
4. Uzun Ivan
5. Doicova Prascovia
6. Telipiz Zinaida
7. Coleva Sofia
8. Covalji Feodora
9. Ratcova Prascovia
10. Uzun Gheorgii
11. Cheor Ecaterina

### **Tvardita, Lecturer: Slavova Polina, Starting with 23.03.05**

1. Vragaleva Maia
2. Dolomanji Nicolai
3. Vasilioglo Nadejda
4. Pascova Maria
5. Segheva Maria
6. Parmacli Polina
7. Pascalova Ana

### **Copceac, Niculischii Andrei**

1. Gaidarji Oliga
2. Nedioglo Valentina
3. Capsamun Maria
4. Ciolac Galina
5. Mocan Maia
6. Ciolac Nadejda
7. Colioglo Valerii
8. Angehliceva Maria
9. Manolov Fiodor

### **Cazaclia, Lecturer: Colicic Alevtina**

1. Gaidarji S.
2. Ducal O.
3. Fazli Elena
4. Momat maria
5. Cara Maria
6. Calac Nicolai
7. Calciu Stefanida
8. Mandapsi E.
9. Stamat F.
10. Ciliner M.
11. Uzun Piotr

12. Ianeva Elena

**Peresecina      Lecturer: Chistol Ion**

1. Petrachi A.
2. Dorogoi I.
3. Nita V.
4. Frotea V.
5. Nepotu E.
6. Ursu E.
7. Gutu E.
8. Buzu G.
9. Ursachi M.

**Pepeni, Lecturer: Pavel Maxian**

1. Grosu Sergiu
2. Ciobanu Grigore
3. Tronciu Vasile
4. Butci Ala
5. Lopotenco Mihail
6. Bounegru Maria
7. Vulpe Maria
8. Ropot Gheorghe

**Alexandreni,      Lecturer: Vechiu Natalia**

1. Prihodico Ludmila
2. CEbotari Rodica
3. Tarpan Lidia
4. Frumusachi Maria
5. Berlodean Marina
6. Curniuc Aliona
7. Dascal Petru
8. Morari Victor
9. Timcenco Ala

**Cisla,      Lecturer: Bologan Pavel**

1. Bors Olga
2. Cater Nina
3. Bors Aurica
4. Macari Ion
5. Cater Grigore
6. MAcari Nina

**Balasesti,      Lecturer: Pavel Maxian**

1. Chetraghe Gheorghe
2. Loghin Petru
3. Ojog Efrosenia
4. Agapi Maria



5. Malanciuc Ecaterina

**Sarata Galbena, Lecturer: Leahu Inga**

1. Vlas Stefan
2. Vlaicu Maria
3. Usatii Nina
4. Prozorovski Nadejda
5. Iusico Tamara
6. Cucerescu Eugenia
7. Galetnic Ana
8. Daud Maria
9. Moroz Aurica

**Razeni, Lecturer: Fesic Vasili**

1. Rosca F.
2. Borta N
3. Tobultoc E.
4. Inculet D.
5. Cutuleb Vasile
6. Gurau Maria
7. Mardari I
8. Mindrescu A
9. Nepotu E.
10. Ulmanu Vera

**Pohrebeni, Lecturer: Codrean Serghei**

1. Strisca Veaceslav
2. Clapaniuc Valentin
3. Cojocari Alexei
4. Codrean Serghei
5. Clapaniuc Nadejda
6. Margina Tatiana
7. Sandu Ana
8. Clapaniuc Valeriu
9. Saharnena Alexandra

**Sireti, Lecturer: Ermirachi Veronica**

1. Cartira Vasile
2. Sula Maria
3. Budeanu Galina
4. Moisei Olga
5. Rebeja Tamara
6. Rosca Lluba
7. Mereneanu Mihail
8. Pruteanu Ana
9. Ceban Victor

**Olanesti, Lecturer: Negura Vasile**

1. Rudenco Galina
2. Braguta Lidia
3. Pavlicenco Victoria
4. Petricenco Domnica
5. Pelin Liuba
6. Harcenca Maria
7. Jernova Elena
8. Zanicov Claudia
9. Turcan calina
10. Samoilenco Claudia
11. Darii Feodosei
12. Rudenco Serghei

**Cristesti, Lecturer: Sandru Valeriu**

1. Rusu Lucia
2. Prisacaru Nicolai
3. Dumanschi Vasile
4. Vistarovcshi Ion
5. Stavschiu Elena
6. Secrieru Svetlana
7. Rusu Rodica
8. Sveicevschiu Maria
9. Hamitchi Stefan
10. Colun Tatiana

**Pelinia, Lecturer: Bindiu Constantin**

1. Turcanu Raisa
2. Negrescu Victoria
3. Grumeza Natalia
4. Dabija Rodica
5. Turcanu Nina
6. Postolachi Ghenadie
7. Bors Victor
8. Agachi Andrei
9. Talpa Maria
10. Bors Svetlana
11. Furtuna Elena

**Otaci, Lecturer: Elena Maliuta**

1. Ion Scripcaru
2. Vladimir Cojuhari
3. Svetlana Oboznaia
4. Ginea Larisa
5. Romaniuc Tatiana
6. Gusan Ludmila
7. Benzar Larisa



8. Priseajnic Angela
9. Bodnari Valerii
10. Sorochina Liubovi

**Slobozia Mare, Lecturer Rodica Pasat**

1. Placintra Radu
2. Chiciuc Ana
3. Pupazan Constantin
4. Lazar Violeta
5. Culeva Galina
6. Bularu Ana
7. Neculiseanu A.
8. Moldoveanu St.
9. Balanel Lidia

**Telenesti, Lecturer: Andrei Darii**

1. Rotari V.
2. Zglavuta V
3. Tcaci E
4. Garabahiu E
5. Ciorescu T
6. Trosca Vera
7. Pasat Elena
8. Nastas Valentina
9. Sochim Tatiana

**Zorile, Lecturer Silvia Rusnac**

1. Victor Rusnac
2. Natalia Didenco
3. Maria Adomnita
4. Ala Singerean
5. Axenia Botnaru

**Talmaza, Lecturer: Lugu Larisa**

1. Godiac S.
2. Ciolac V.
3. Boladau S.
4. Baligari L.
5. Deliu E.
6. Baltag V.
7. Vavilin V.

**Cojusna Lecturer: Prodan Ion**

1. Fulga Svetlaana
2. Pascari Tudor
3. Mindrescu Galina
4. Turcanu Ana

5. Bivol Daria
6. Vasilascu Claudia
7. Bogos Galina
8. Bulat Liuba
9. Vidrascu Ana

**Bardar, Lecturer: Macovei Svetlana**

1. Iovu Dumitru
2. Tonu Alexei
3. Tudorache Elena
4. Iovu Zinaida
5. David Zinaida
6. Herta Vera
7. Oprea Nina

**Cigirleni, Lecturer: Fesic Vasile Ion**

1. Odagiu Maria
2. Josu Alexandra
3. Pinzaru Natalia
4. Erezanu Valentina
5. Lupascu Tudor
6. Boinceanu Gheorghe
7. Bonceanu Ilie

**Gangura, Lecturer: Lazuc M.**

1. Basli I
2. Ilascu L
3. Panfili G.
4. Chiosa M.
5. Panfili L
6. Caragheaur V.

**Zimbreni, Lecturer: Paladi Aurelia**

1. Stavri Gheorghe
2. Dogaru Ana
3. Cojocaru Aliona
4. Castravet Ana
5. Saratila Andrei
6. Marcan Nina

**Horesti, Lecturer: Vasile Anghel**

1. Cazacu Andrei
2. Hotnog Andrei
3. Damaschin Aurica
4. Nicolai Iacob
5. Dicusari Feodosia
6. Ignat Olga



7. Munteanu Vladimir
8. Malcoci Anastasia

**Horodca, Lecturer: Nani Margareta**

1. Chifa Mihai
2. Cononov Ecaterina
3. Podoleanu Nina
4. Ursu Ecaterina
5. Munteanu Elena
6. Podoleanu Elena

**Vasieni, Lecturer: Candu Serghei**

1. Papucciu VAsile
2. Vrabie Gheorghe
3. Mihaila Sofia
4. Plamadeala Valentina
5. Darii Andrei
6. Curnic Mariana
7. Mihalache Maria
8. Nacu Vasile
9. Istrati Timofte

**Tipala, Lecturer: Bogos Andrei**

1. Niculai Maria
2. Bumbu Raisa
3. Cotorobai GAlina
4. Ghinda Andrei
5. Rotari Maria
6. Castravet Andrei
7. Ilies Ilie

**Dancenii, Lecturer: Virtosu Artur**

1. Virlan Andrei
2. Armasu Maria
3. Ungureanu Tatiana
4. Contulesco Larisa
5. Cristea Ecaterina
6. Sileaev Ana

**Rusestii Noi, Lecturer: Ghinda Anatolie**

1. Zasmenco Vera
2. Merla Maria
3. Mesina Ecaterina
4. Tapes Marina
5. Cirlan Lidia
6. Panfil Veaceslav
7. Cirlan Ion

8. Ghimp Natalia
9. Mesina Tudor

**Suruceni, Lecturer: Romeo Anatolie**

1. Darie Vladimir
2. Odobescu Taisia
3. Suruceanu Liuba
4. Ursu Ludmila
5. Covali Maria
6. Lungu Maria
7. Badareanu Stefan
8. Milici Ister.

**Ulmu, Lecturer: Nani Margareta**

1. Munteanu Nina
2. Monacu Aculina
3. Plamadeala Ala
4. Birca Iulia
5. Munteanu Ion
6. Caraja Claudia
7. Gutu Grigore

**Sociteni, Lecturer Batin Viorica**

1. Bogos Nicolae
2. Arhip Maria
3. Batin Elena
4. Elizaveta Vilcu

**Puhoi, Lecturer: Soltan Maria**

1. Arseniev Valerie
2. Palachi Galina
3. Coadă Svetlana
4. Palade Tatiana
5. Bumbu Maria
6. Toma Ion
7. Bitca Vera
8. Mirleanu Maria
9. Catirau Evdochia
10. Oprea Vera

**Molesti, Lecturer: Mocanu V.**

1. Panainte R.
2. Cujba G.
3. Catarau M.
4. Panainte R.
5. Scarevnea O.
6. Mocanu V.





**Costesti, Lecturer: Bivol Maria**

1. Pavalachi Elena
2. Vidrascu Maria
3. Grigorita Zinaida
4. Moraru Valentina
5. Bivol Lidia
6. Borta Vera
7. Mrmiei Maria
8. Gincota Fiodor
9. Carabagiu Simion

**Milestii Mici, Lecturer:**

1. Balmus Maria
2. Agrici Oxana
3. Petrascu Liuba
4. Cojocari Zinaida
5. Roman Natalia

**Carbuna, Lecturer: Fesic Nicolae**

1. Murzac Petru
2. Soboli Ion
3. Sirbu Daria
4. Domente Taiana
5. Ciocoi Ana
6. Strisca Alexandra
7. Inculet Vladimir

**Varatic,**

3 persons trained at one Chisinau based microcomputers training center.

## **Microcomputers Training Program agenda**

### **Introduction to microcomputers: 3 hours**

7. What is a monitor, processor, mouse, keyboard
8. What are the advantages of a computer
9. What is a folder, file, document, program. Types of files.
10. What is on the desktop, in the Start menu
11. How to find the necessary working program (i.e. MsWord, Ms.Excel)
12. What is stored in the Recycled bin

### **Operational System Windows, Explorer: 7 hours**

9. What is Explorer, How to use it, Where to find it
10. How to create and manage folders
11. How to structure folders, files
12. How to copy, move, delete files & folders.
13. Copying files to and from floppy disk
14. How to find a file / folder
15. Working with more programs in the same time
16. Useful simple programs (calculator, calendar)

### **Text redactor Microsoft Word: 10 hours**

12. Create a new file, Open a file, Save a file
13. Page setup
14. Preview document and Print a file (incl. Choose printer, # of copies)
15. File Menu
16. Edit menu
17. Format menu (incl. change case)
18. Working with text and Text formatting (font type and size, selection, cut, copy, paste, paste special, bold, italic, left, justified, right, centered, paragraph spacing, numbering, bullets, tabulation, text color)
19. Working with tables (formatting, merging, unmerging, insert, delete rows, columns, borders, colors)
20. Inserting pictures, objects
21. Working with drawing toolbar (text box, connections, word art)
22. Zoom

### **Spreadsheets: Microsoft Excel: 10 hours**

18. Menu items
19. Create, open, save, delete file
20. Page setup, Docs Preview and Print
21. Introduction to Excel Book, Sheets
22. Creating, modifying and deleting formulas (mostly mathematical)
23. Selection of rows, columns, areas, sheets
24. Print Options – print all, certain page(-s), selection
25. Working in 2 and more different sheets simultaneously, Freeze / unfreeze pannes
26. Protection of cells, sheets and book (with / without passwords)
27. Inserting / Deleting rows / columns / sheets
28. Copying of information !!! Copying of formulas!!!



29. Format of cell (all kinds), Merge unmerge cells, wrap text
30. Borders format
31. Graphs / Charts
32. Paste special (values, formulas, formatting, transpose)
33. Sort, filter operations
34. What is circular and how to avoid it.

## REPORT ON TRAINING IN MICROCOMPUTERS

In 2005 Fiscal Improvements team of LGRP, based on past years experience started an experiment of training delivery in microcomputers organized locally.

The LGRP Fiscal Improvements Team has evaluated the situation in the partner communities as regards readiness for implementing the Integrated Municipal Financial Software. In order to proceed with the implementation of the Integrated Municipal Financial Software (IMFS), the Fiscal Improvements team is offering greater assistance to those partner communities that are lacking behind on degree of automation and trained personnel and/or those partners which did not receive previously needed equipment (mainly computers) and training.

In this regard, the Fiscal Improvements team recommended adoption of a new approach to solving the issue of training in microcomputers. This method has already been successfully tested and proved to be efficient in terms of use of LGRP resources and greater impact for the partner. According to the new strategy LGRP offered computer training to LGRP partners by hiring a qualified trainer in microcomputers from the area. Usually, these are secondary teachers, who teach computer literacy. Seven to nine representatives from each local government received training in Windows, Microsoft Word and Excel. LGRP paid the salary of a local teacher, while the communities were responsible for arranging class rooms equipped with microcomputers for 20 - 25 days, several hours per day in a local school, library or other suitable location. The new approach to computer training for partners allows for a longer time for the training, larger number of local government specialists trained, and the ultimate outcome is better as the local teacher is always available for consultations, if needed. Not the least important factor in this new approach is the very significant cost savings that were achieved. The logistics efforts and direct costs were significantly higher when such training programs were organized and conducted on a residential basis by LGRP in Chisinau. The new approach to training programs was implemented with the newly selected LGRP partners.

**DESIGN OF THE ORIENTATION MEETING**  
**FOR COMMUNITIES FROM IALOVENI RAYON**  
**USAID Local Government Reform Project**

**Description:** LGRP Fiscal Improvements team intends to organize an orientation session for representatives of all communities from Ialoveni rayon from Republic of Moldova in order to initiate a new pilot project related to a full automation of all communities from Ialoveni rayon. Representatives of Ialoveni rayon communities – mayors and chief accountants will be introduced to the activity of LGRP project and in particular to Fiscal Improvements component of the project and briefed about next steps of mutual collaboration.

Main goals of the Orientation Meeting:

- introduce Ialoveni rayon communities to LGRP (and in particular Fiscal Improvements team) activities
- Inform participants about implementation of Integrated Municipal Financial Software
- Sign Statements of Cooperation and Financial Management addendums with the communities.

**Expected outcomes:** Automation of all communities in Ialoveni rayon creates opportunities for gathering all data at the second level of government and make corresponding analysis about the financial system as a whole. Moreover, financial officers from all Ialoveni communities will be involved in all Fiscal decentralization team trainings and other activities, which will contribute to their development and will increase financial capabilities in the corresponding communities.

**Detailed design:**

Participants will be introduced to the activity of LGRP as a whole and Fiscal Improvements team in particular. Chairman of Ialoveni Rayon will welcome the participants, inform them about the important role of active participation in LGRP program activities for the benefit of the whole rayon. Representatives from Integrated Municipal Financial Software implementing company Daac-Sistem will make a presentation about structure of the software, stages of implementation, etc. Mayor and chief accountant from Ialoveni town will inform participants about stages of implementation of the IMFS software in Ialoveni town, difficulties and opportunities of the software. Fiscal Improvements team leader will inform the participants about next steps of mutual cooperation. Approximately 50 persons (25 mayors and 25 chief accountants) will participate at this event.

**Detailed Agenda of the Orientation Meeting**

**10 May 2005**

*Conference room, Ialoveni City Hall*

**13:45 – 14:00                      Registration for the Orientation session**

Fiscal Improvements team will register Ialoveni communities' representatives and distribute package materials which include the following documents:

- Agenda of the meeting
- Brief description of LGRP activities
- LGRP activities Matrix and Map

- Presentation by DAAC Sistem about IMFS implementation
- Statement of Cooperation and Fiscal Improvements addendums
- LGRP partner questionnaire

**14:00 - 14:10                    Greeting the participants in the Orientation Meeting**

*Duane C. Beard, LGRP Chief of Party*

LGRP Chief of party welcomes the participants and makes a quick presentation about LGRP. In particular, chief of party informs participants about the advantages of collaboration with LGRP project (i.e. delivery of computers, participation in various financial management trainings and Quarterly user group meetings, installation, training and implementation of IMFS, etc.)

**14:10-14:15                    Welcoming the group of mayors and accountants**

*Tudor Iasinschi, chairman of Ialoveni rayon*

Chairman of Ialoveni rayon welcomes the participants, informs them about the importance of collaboration with different technical assistance programs and other donor organizations, invites participants to be more active in implementing different projects in their communities, aiming as a final result to increase the welfare of citizens from Ialoveni rayon.

**14:15-14:35                    Integrated municipal financial software (IMFS): concept, advantages and results of implementation in 3 pilot communities.**

*Ion Sîrbu, IMFS implementing company DAAC Systems*

Fiscal Improvements team leader opens the floor to the representative of IMFS implementation company DAAC Sistem, who gives a presentation about the status and stages of implementation of IMFS in three pilot communities from Moldova. Also, provides a short description, possibilities of the software.

**14:35-14:45                    Implementation of IMFS in Ialoveni city hall**

*Anatol Moldovan, Mayor of Ialoveni town, Ana Darii, chief accountant Ialoveni*

The host of the meeting welcomes the participants in Ialoveni city hall and together with Ana Darii makes a small presentation about stages of implementation of the IMFS software in Ialoveni city hall, difficulties in implementation and opportunities of the software. The mayor invites all participants to be active in the collaboration with LGRP.

**14:45-15:00                    Questions & Answers**

Participants are welcomed to ask questions about the activity of project, responsibilities and obligations of both parties, etc.

**15:00-15:15                    Closing remarks and future activities**

*Eugen Hristev, Team Leader, Fiscal Improvements team*

Fiscal Improvements team Leader informs the participants about next future steps of collaboration with LGRP:

- Initiation of microcomputers trainings in respective communities for local government officers
- Timeline of computer delivery
- Invitation to participate in the new round two weeks Financial Management training
- Invitation to participate in the next quarterly user group meeting
- Implementation of IMFS using a trained trainer.



**15:15-15:45**

**Signing ceremony of Statements of Cooperation.**

At the end of the orientation session Mayors and LGRP chief of party sign LGRP partnership agreements and Fiscal Improvements addendums.



**ORIENTATION MEETING  
FOR COMMUNITIES FROM IALOVENI RAYON  
USAID Local Government Reform Project**

*Conference room, Ialoveni City Hall*

**10 May 2005**

**AGENDA**

- |                      |  |
|----------------------|--|
| <b>13:45 – 14:00</b> | <b>Registration for the Orientation session</b>  |
| <b>14:00 - 14:10</b> | <b>Greeting the participants in the Orientation Meeting</b><br><i>Duane C. Beard, LGRP Chief of Party</i>  |
| <b>14:10-14:15</b>   | <b>Welcoming the group of mayors and accountants</b><br><i>Tudor Iasinschi, chairman of Ialoveni rayon</i>   |
| <b>14:15-14:35</b>   | <b>Integrated municipal financial software (IMFS): concept, advantages and results of implementation in 3 pilot communities.</b><br><i>Ion Sirbu, IMFS implementing company DAAC Systems</i> |
| <b>14:35-14:45</b>   | <b>Implementation of IMFS in Ialoveni city hall</b><br><i>Anatol Moldovan, Mayor of Ialoveni</i>   |
| <b>14:45-15:00</b>   | <b>Questions &amp; Answers</b>   |
| <b>15:00-15:15</b>   | <b>Closing remarks and future activities</b><br><i>Eugen Hristev, Team Leader, Fiscal Improvements team</i>  |
| <b>15:15-15:45</b>   | <b>Signing ceremony of Statements of Cooperation.</b>  |



**USAID LOCAL GOVERNMENT REFORM PROJECT  
ORIENTATION MEETING FOR COMMUNITIES FROM IALOVENI RAYON**

May 10, 2005

**List of participants:**

Denumirea	Mayor	Chief Accountant
Ialoveni	<b>Moldovanu Anatol</b>	Anisoara Darii
Răzeni	<b>Luchian Ion</b>	Maria Gureu
Bardar	<b>Capatina Grigore</b>	Tudorache Elena
Cărbuna	<b>Murzac Petru</b>	Sîrbu Dora
Cigîrleni	<b>Boinceanu Gheorghe</b>	Odagiu Maria
Costești	<b>Gîncota Feodor</b>	Pavalachi Elena
Dănceni	<b>Vîrlan Andrei</b>	Ungureanu Tatiana
Gangura	<b>Bașli Ivan</b>	Panfili Galina
Hansca	<b>Vicol Mihail</b>	Bostanica Svetlana
Horești	<b>Cazacu Andrei</b>	Aurica Damaschin
Horodca	<b>Chifa Mihail</b>	Podoleanu Nina
Malcoci	<b>Ermurachi Zinaida</b>	Gîndea Valentina
Mileștii Mici	<b>Deresco Pantelei</b>	Cojocari Zinaida
Molești	<b>Catan Mihail</b>	Panainte Rodica
Nimoreni	<b>Gore Nicolae</b>	Elena Eremia
Pojăreni	<b>Bojoga Alexei</b>	Aftene Vasilita
Puhoi	<b>Arseniev Valeriu</b>	Palade Tatiana
Ruseștii Noi	<b>Meșina Tudor</b>	Zasmenco Vera
Sociteni	<b>Bogos Nicolae</b>	Elena Bachin
Suruceni	<b>Darii Vladimir</b>	Liuba Suruceanu
Tipala	<b>Cotorobai Ion</b>	Niculai Maria
Ulmu	<b>Coșleț Tudor</b>	Muntean Nina
Văratic	<b>Chirman Iurie</b>	Radu Nina
Văsieni	<b>Vrabii Ion</b>	
Zîmbreni	<b>Stavri Gheorghe</b>	Aliona Cojocaru

## **REPORT ON ORIENTATION MEETING FOR 23 COMMUNITIES FROM IALOVENI RAYON**

An orientation meeting in Ialoveni city hall for representatives of 23 communities was organized and conducted by the Fiscal Improvements team on May 10<sup>th</sup>. This meeting introduced the concept and next steps of the pilot project on implementing the Integrated Municipal Financial Software to the mayors and chief accountants from Ialoveni district. It was the first meeting to launch the active field portion of the pilot project.

During the meeting the Fiscal Improvements team informed local communities about the necessity to initiate the organization of the training program in microcomputers. The new approach adopted by LGRP was to provide the training through community-based computer instructors. Each community received a questionnaire requesting them to list their needs for staff training and identify the possibilities of contracting for the training locally (as apposed to a centralized training event in Chisinau).

Representatives of the communities expressed great interest in participating of this project and are looking forward to full implementation. During the meeting the newly elected chairman of Ialoveni Raion, Mr. Tudor Iasinschi, spoke and expressed his personal support of the idea of implementing the program in Ialoveni and emphasized the potential benefits for the participating communities.

Digital photographs taken at the Meeting are available in LGRP files.

## **ANNEX B**

### **DEMOCRACY AND GOVERNANCE**

1. Report on Strategic Planning Effort
2. RFP Package on Strategic Planning
3. Report on Best Practices Competition
4. Training Package on Workshop for Water Users' Associations
5. Training Package on Workshop for Dwellers' Associations

# Report

on performance of subcontract with USAID  
Local Government Reform Project,  
“Community Strategic Planning”

(June - December 2005)

Chişinău – 2006

## CONTENTS

ACRONYMS.....	4
SUMMARY.....	5
1   Assisting ten communities in drafting their strategic plans .....	5
1.1   Conducting environmental scans and drafting the social and economic profiles of communities .....	6
1.2   Preparing and holding round table discussions .....	6
1.3   Preparing and holding strategic planning workshops .....	7
2   CONDUCTING PUBLIC HEARING TRAINING.....	9
3   ASSISTING TEN COMMUNITIES IN ORGANIZING PUBLIC HEARINGS UNDER SPSED AND AS PROVIDED BY LOCAL BUDGETS.....	10
3.1   Holding Public Hearings on Draft Strategic Plans .....	11
3.2   Holding Public Hearings on Draft Local Budgets.....	12
3.3   Endorsing Strategic Plans for Social and Economic Development (SPSED) .....	14
4   ASSISTING TWENTY-FIVE COMMUNITIES IN UPDATING THEIR STRATEGIC PLANS .....	15
4.1   Reviewing and updating the social and economic profiles of communities .....	15
4.2   Organizing Strategic Plan Updating Workshops .....	16
5   ASSISTING TWENTY-FIVE COMMUNITIES IN ORGANIZING PUBLIC HEARINGS UNDER UPDATED SPSED AND AS PROVIDED BY LOCAL BUDGETS.....	18
5.1   Holding Public Hearings on Updated Strategic Plans.....	18
5.2   Holding Public Hearings on Updated Draft Local Budgets of Twenty-Five LGRP Partner-Communities .....	19
5.3   Endorsing Updated SPSED .....	21
6   CONCLUSIONS .....	22
7   APPENDICES .....	22

## ACRONYMS

<b>LG</b>	- Local Government
<b>LB</b>	- Local Budget
<b>LGRP</b>	- Local Government Reform Project, USAID
<b>SP</b>	- Strategic Plan
<b>SPSED</b>	- Strategic Plan for Social and Economic Development of Community
<b>LGR</b>	- Local Government Reform

## SUMMARY

In the wake of an auction held by LGRP, BCI (Business Consulting Institute) signed a contract to assist ten Moldovan communities in drafting their strategic plans for social and economic development and twenty-five communities in updating their strategic plans for social and economic development. The contract was signed on May 27, 2005 to last until December 31, 2005. The total of the budget under the contract was set at \$54,592 US. The payments were carried out in three tranches, namely tranche I on May 31, 2005; tranche II on July 29, 2005 and tranche III on October 30, 2005.

Under the service subcontract, the stipulated range of activities were carried out in 35 communities of the Republic of Moldova. Ten communities were assisted in drafting their Strategic Plans for Social and Economic Development (SPSED) and the other twenty-five communities secured consulting services to update their SPSED. The list of communities that received assistance is provided in *Appendix 1*.

Five professional teams were called on to perform the Subcontract, with each team consisting of two facilitators. Two teams facilitated the updating of SPSED in Russian speaking communities.

The structure of the report resembles the activities under the service subcontract and it includes:

1. Assisting ten communities in drafting their strategic plans;
2. Conducting public hearing training;
3. Assisting ten communities in organizing public hearings under SPSED and as provided by local budgets;
4. Assisting twenty-five communities in updating their strategic plans;
5. Assisting twenty-five communities in organizing public hearings under updated SPSED and as provided by local budgets

Each section will contain conclusions relevant to the subject matters, as well as propositions as to how the activities under the Subcontract can be improved.

In order to perform the pre-planned activities, the communities could avail themselves of “The Schedule of Activities Designed to Devise and Update the Plans for Social and Economic Development of Communities,” which is presented in *Appendix 2*. *Appendices 2.1* and *2.2* highlight the activities designed to devise strategic plans and the acronyms of these activities included in the Schedule as presented in *Appendix 2*.

## 1 ASSISTING TEN COMMUNITIES IN DRAFTING THEIR STRATEGIC PLANS

The services provided to ten communities in connection with the drafting of their SPSED were as follows:

1. Conducting environmental scans and drafting the social and economic profiles of communities;
2. Preparing and holding round table discussions;
3. Preparing and holding strategic planning workshops.

An accurate description of services is briefly presented hereinafter:

## 1.1 Conducting environmental scans and drafting the social and economic profiles of communities

Those were the first activities carried out in the communities and they can be considered landmark. Admittedly, the successful performance of the outlined activities depends upon the first contact with the communities. The information obtained is very important for community-based strategic plans. Another important stage of project efforts was the opinion polls of residents living in the communities that benefited from the assistance. The purpose of the polls was to explore the opinions of community residents about a number of issues crucial for strategic plans, and their attitude toward the activity of respective local governments.

Given the importance of this stage, BCI requested that project teams prepare an exhaustive questionnaire for the participating communities. Consequently, this effort enabled the teams to devise the profiles that contain a more in-depth analysis of social and economic conditions of benefiting communities.

## 1.2 Preparing and holding round table discussions

The set of activities designed to facilitate round table discussions is another means of garnering information about the issues and available resources, since it is indispensable for the drafting of strategic plans for the social and economic development of local communities. Moreover, this stage underscores the necessity of collaboration between all social actors of the communities in their effort to resolve the outlined issues and meet the expectations of local residents.

The major activities were as follows:

- Collecting materials and other logistical information concerned with round table discussions.
- Holding round table discussions.
- Drafting the reports to present the results of round table discussions.

In addition to ten communities that did not have their SPSED drafted, round table events were held in another eight communities, which, under the Subcontract and as LGRP's new partners, had to update their strategic plans. As a result, round table discussions were organized in 18 communities (see Table 1.2.1.).

**Table 1.2.1 The list of communities that held round table discussions**

#	Community	Date	Number of participants			Including NGO representatives
			Men	Women	Total	
1	Cristesti	21.06.2005	12	10	22	1
2	Peresecina	22.06.2005	5	16	21	2
3	Cojușna	22.06.2005	19	11	30	1
4	Olanesti	23.06.2005	5	19	24	3
5	Sireti	21.06.2005	12	14	26	1
6	Zorile	22.06.2005	16	19	35	2
7	Otaci	23.06.2005	15	15	30	4
8	Slobozia Mare	27.06.2005	16	14	30	3
9	Razeni	01.07.2005	17	17	34	1
10	Pohrebeni	10.07.2005	20	17	37	0
11	Alexandreni	22.06.2005	11	16	27	1
12	Bubuieci	01.07.2005	6	7	13	0
13	Pelinia	17.07.2005	23	38	61	4
14	Chișcăreni	27.07.2005	3	21	24	2
15	Congaz	28.07.2005	8	12	20	3
16	Cazaclia	27.07.2005	9	11	20	0



17	Pepeni	28.09.2005	10	11	21	0
18	Bălăşeşti	28.09.2005	11	17	28	3
	<b>Total</b>		<b>218</b>	<b>285</b>	<b>503</b>	<b>31</b>

According to the presented information, the total number of participants was 503 people, of whom about 57 percent were women and 43 percent were men. Although, in the majority of communities, women were the main participants, some communities registered more men than women partaking in the activities. The number of people partaking in round table discussions averaged 28.

### 1.3 Preparing and holding strategic planning workshops

The main activities of this stage included:

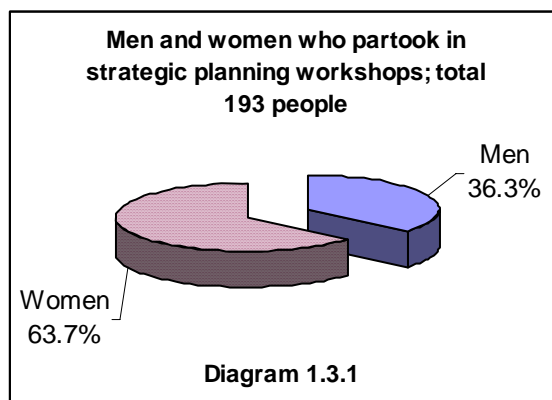
- Preparing strategic planning workshops in conformity with „The Strategic Planning Handbook of Facilitators.”
- Holding strategic planning workshops in conformity with „The Strategic Planning Handbook of Facilitators” and the Bryson Method for public and non-profit organizations.
- Finishing drafting strategic plans, devising the reports on strategic planning workshops and their results.
- Presenting draft strategic plans to the participants at the final stage of strategic planning workshops.

Table 1.3.1 presents the information on the number of people who partook in strategic planning workshops held by ten communities. It also indicates the time during which 5-day strategic planning workshops were organized.

**Table 1.3.1 The number of participants in Strategic Planning Workshops**

#	Community	Dates	Number of participants		
			Men	Women	Total
1	Cristeşti	June 27-July 1, 2005	7	8	15
2	Zorile	June 27-July 1, 2005	5	17	22
3	Sireţi	June 27-July 1, 2005	6	14	20
4	Cojuşna	June 27-July 1, 2005	9	13	22
5	Razeni	July 4-8, 2005	6	15	21
6	Slobozia Mare	July 4-8, 2005	9	10	19
7	Olăneşti	July 4-8, 2005	5	15	20
8	Otaci	July 5-9, 2005	12	7	19
9	Pohrebeni	July 18-22, 2005	6	14	20
10	Peresecina	July 11-15, 2005	5	10	15
	<b>Total</b>		<b>70</b>	<b>123</b>	<b>193</b>

Among the participants of strategic planning workshops, the number of women exceeded the number of men, thus accounting for 64 percent and 36 percent respectively for women and men (see Diagram 1.3.1).



The number of people partaking in strategic planning workshop activities averaged 19 per each community. Moreover, the number of people who participated in strategic planning workshops was in fact larger than it was officially indicated in final reports. These residents were not included in the final lists of participants, as they took part in the events for one or two days. They were often local councilors or business people who were invited to attend the workshops or came on their own accord in order to contribute to strategic plans. It is worth mentioning that this stage was the most time-consuming. It is easy to make various observations about how the participants were changing their attitude and opinions about the strategic planning process in the course of 5-day strategic planning workshops. General distrust and skepticism at the outset of workshops were changing into enthusiastic fervor and awareness in the course of the activities, so that by the end of workshops, all the participants expressed their regret that the process had drawn to its close. The bottom-line is that an active participation of residents in the drafting of a strategic plan, leading to the improvement of living standards in the future, compels all the participants to vigorously partake in the planning process. It is also notable that local governments and other responsible social actors are aware of the importance of the participatory process in the solution of communities' multiple issues. The commitment of all the residents to their community development makes them feel important and more responsible for the future of their communities.

The review of evaluation reports in the wake of strategic workshops proved that the participants had mastered and applied the methodology of strategic planning and improved partnership relations with local governments. The majority of the participants of strategic planning workshops confirmed that they can carry out strategic planning independently; however, they mentioned that they still require the assistance of facilitators. They also put forward an idea of launching other training activities in various communities.

Certain negative aspects pointed out by local participants and confirmed by facilitators were caused by inauspicious and sometimes challenging conditions in which strategic planning workshops were held (high temperatures). Other negative comments included a poor organization of catering services offered to the participants due to lack of public catering organizations (bad menus, the location of services that provided meal for participants).

Another drawback registered by facilitators during strategic planning workshops was a low turnout of all workshop participants. A number of participating residents failed to attend workshops in the course of five straight days due to various reasons. Facilitators also mentioned as negative a very small number of representatives of the communities' business sectors that partook in strategic planning workshops. This is basically explained by the fact that local governments are not very active in encouraging business people to take part in the life of their communities. At the same time, entrepreneurs say that local governments invite

them only to “beg” them to contribute financially in problem-solving projects. This fact reveals a merely social tendency of the communities’ action plans.

However, 8 out of 10 communities (at some stages, they could be assisted by facilitators) and new partners of the Local Government Reform Project stated that one of the strategic issues is the development of local economies. Table 1.3.2 presents the number of key strategic issues identified by workshop participants, as well as the actuality of strategic issues in connection with the local economic development.

**Table 1.3.2 The number of key strategic issues**

#	Community	No of strategic issues	The actuality of strategic issues in connection with the local economic development
1	Cristești	4	YES
2	Zorile	5	YES
3	Sireți	4	YES
4	Cojușna	4	YES
5	Răzeni	5	NO
6	Slobozia Mare	5	YES
7	Olănești	4	YES
8	Otaci	5	YES
9	Pohrebeni	4	NO
10	Peresecina	5	YES

Table 1.3.2 shows that only Răzeni and Pohrebeni communities devised strategic plans that were zeroed in on the solution of the social type of issues. Such an outcome is also caused by a low turnout and participation of the representatives of local business sectors during strategic planning workshops.

## 2 CONDUCTING PUBLIC HEARING TRAINING

Under the Subcontract, BCI conducted 10 training events for 20 communities (one training per two communities). The main activities were as follows:

- Conducting Public Hearing Trainings;
- Drawing up the reports on Public Hearing Trainings.

The aforementioned activities were carried out in conformity with “The Public Hearing Organization Handbook.” All the participants could avail themselves of presentation materials/ handouts and “The Public Hearing Organization Handbook of A Public Employee.” (Table 2.1).

**Table 2.1 Data on community trainings in the organization of public hearings**

#	Community	Team	Date	Hour	Place	Number of participants	
						Total	Of whom Council members
1	Cristești	C.Nunu, P.Munteanu	09.07.2005	10:00	Town/ Village hall	16	3
2	Zorile	A.Bejenaru, O.Marjina	13.07.2005	9:00	Town/ Village hall	20	3
3	Otaci	A.Bejenaru, O.Marjina	16.07.2005	10:00	Town/ Village hall	13	2
4	Peresecina	C.Nunu, P.Munteanu	18.07.2005	9:00	Town/ Village hall	16	4

#	Community	Team	Date	Hour	Place	Number of participants	
						Total	Of whom Council members
5	Slobizia Mare	C. Enciu, E.Draganov	19.07.2005	9:00	Town/ Village hall	18	2
6	Cojușna	E.Hirbu, V.Gututui,	20.07.2005	9:00	Cojușna hall	10	2
	Sireți	A. Macovei				10	3
7	Olănești	V.Gututui, V.Miron	24.07.2005	10:00	Town/ Village hall	12	3
8	Alexandreni	A.Bejenaru, O.Marjina	28.07.2005	9:00	Town/ Village hall	15	0
9	Pelinia	R.Neaga, R.Gutu	29.07.2005	9:00	Training and Information Center	16	6
10	Bubuieci	V.Bulat, V.Rusu	30.07.2005	10:00	Bubuieci hall	9	2
	Răzeni	R.Neaga				10	2
11	Pohrebeni	R.Neaga, R.Gutu	31.07.2005	10:00	Public library	14	2
12	Chișcăreni	C.Nunu, P.Munteanu	14.08.2005	10:00	Town/ Village hall	15	5
13	Cazaclia	E. Hirbu, E.Draganov	05.09.2005	10:00	Congaz administration conference hall	11	0
	Congaz					10	0
14	Bălăsești	E. Hirbu, V.Gorea	12.10.2005	10:00	Pepeni administration conference hall	10	0
	Pepeni					10	0
TOTAL						235	39

Overall, BCI held 14 training events that proved to be very helpful to 18 communities. Two communities (Ocnița and Sarata Galbena), initially included in the training schedule, were consequently excluded, as they had previously held the training sessions. Due to various reasons (considerable distance between the communities, different training schedules, etc.), there were 4 training sessions that incorporated two communities at once. These communities are highlighted in Table 2.1 by a different font color. Overall, there were 235 people trained, including 39 council members. The number of people trained per community averaged 13.

We should mention the fact that public hearings are a type of activity that is not well-known for new LGRP partners. The use of video materials and Power Point presentations are very adequate in ensuring a better understanding of the information presented by facilitators to the audience. One of the wishes expressed by the participants of public hearing training courses was that video materials should have the Romanian language equivalents.

### 3 ASSISTING TEN COMMUNITIES IN ORGANIZING PUBLIC HEARINGS UNDER SPSED AND AS PROVIDED BY LOCAL BUDGETS

The main activities of this section included:

- a) Assisting communities in preparing the materials for public hearings; their organization in conformity with draft strategic plans and as provided by local budgets (two public hearings per community).
- b) Assisting communities in devising the final draft of strategic plans for social and economic development;
- c) Presenting the final drafts of strategic plans to LGRP;
- d) Other documents to be submitted to LGRP were as follows:
  - 1) the copies of resolutions approving strategic plans by local councils;
  - 2) draft SPSED of communities endorsed by respective local councils;
- e) Reports on the organization and results of public hearings.

The assistance provided to LGRP partner-communities in preparing public hearing handouts chiefly included the collection and distribution of:

- Concise copies of strategic plans;
- Drafts of local budgets;
- Advertisements promoting the events;
- Press communiqués;
- Multiplication of the “WHAT ARE PUBLIC HEARINGS” flyer;
- Multiplication of RULES REGULATING PUBLIC HEARINGS;
- Multiplication of PROPOSITIONS AND SUGGESTIONS FORM

Organizational Committees assembled illustrations and handouts to facilitate the presentation of draft local budgets. These materials were very helpful, as they ensured a better understanding of participating parties. Additionally, at a number of communities, facilitators in collaboration with organizational committees prepared the presentation of both the draft strategic plans and local budgets. One of the presentations is provided in *Appendix 3* (the Cojusna presentation).

The facilitators, as well as the communities’ organizational committees, paid a special attention to the selection of premises that were to host public hearings. However, we registered a number of cases when it was too hot during the summer and too cold during the fall inside the premises. The premises to hold public hearings were often town/ village administration assembly halls, the assembly halls of educational institutions and culture centers.

### *3.1 Holding Public Hearings on Draft Strategic Plans*

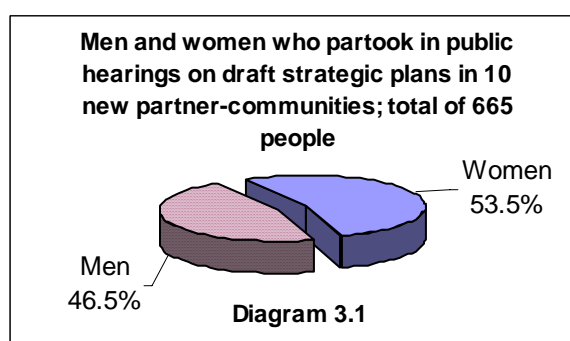
Table 3.1 presents the data on public hearings on draft strategic plans held in LGRP’s ten new partner-communities.

**Table 3.1 The turnout of residents at SPSED public hearings**

#	Community	Date	Number of participants			No of participating local councilors	Total of local councilors	No of presenters	Propositions
			Total	Women	Men				
1	Zorile	24.07.2005	53	32	21	8	9	11	18

2	Otaci	29.07.2005	95	53	42	15	17	3	7
3	Cristești	31.07.2005	53	18	35	5	9	16	16
4	Peresecina	02.08.2005	64	38	26	6	17	12	20
5	Slobozia Mare	07.08.2005	87	36	51	5	17	14	15
6	Olănești	04.09.2005	143	94	49	6	15	4	4
7	Cojușna	18.09.2005	61	41	20	4	15	2	2
8	Răzeni	25.09.2005	43	10	33	7	17	7	14
9	Pohrebeni	25.09.2005	44	22	22	8	13	3	16
10	Sireți	02.10.2005	22	12	10	5	15	3	4
	<b>Total</b>		<b>665</b>	<b>356</b>	<b>309</b>	<b>69</b>	<b>144</b>	<b>75</b>	<b>116</b>

As Table 3.1 suggests, ten public hearings on draft strategic plans gathered 665 residents, or about **67 people per each public hearing**. Women accounted for 54 percent of the total number of participants, as opposed to 46 percent of men (see Diagram 3.1).



Of the total number of participants, 69 were local councilors, or about 10 percent. This accounts for about 48 percent of the total number of local councilors set at 144 people in all ten communities. On the average, there were registered seven local councilors per each public hearing on strategic plans.

Seventy-five residents took the floor during public hearings, or 11 percent of the total number of participants, which makes about eight people per each public hearing. During public hearings, the participants put forward 116 propositions and suggestions on draft strategic plans; that is, about 12 propositions per each public hearing.

Public hearings on SPSED were held from July 24 till October 2, 2005, or about two months and a half. The five teams facilitating project activities were each assigned two communities –new LGRP partners.

### 3.2 Holding Public Hearings on Draft Local Budgets

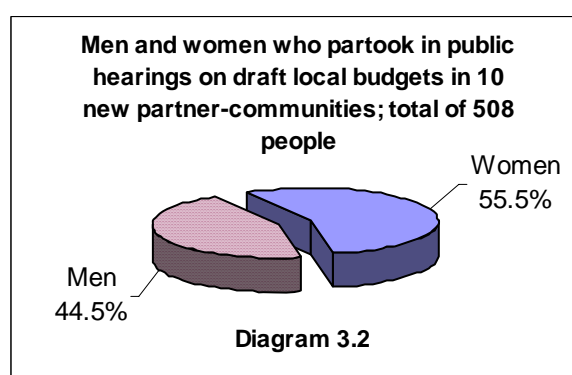
Under the Subcontract, the participating communities held public hearings on their draft local budgets. Table 3.2 presents the data on public hearings on draft local budgets (LB) held in LGRP's ten new partner-communities

**Table 3.2 The turnout of residents at LB public hearings**

#	Community	Date	Number of participants			No of participating local councilors	Total of local councilors	No of presenters	Propositions
			Total	Women	Men				
1	Olănești	04.09.2005	143	94	49	6	15	1	1
2	Cojușna	18.09.2005	61	41	20	4	15	2	2
3	Răzeni	25.09.2005	43	10	33	7	17	2	2
4	Pohrebeni	25.09.2005	44	22	22	8	13	2	3

5	Sireți	02.10.2005	22	12	10	5	15	1	1
6	Zorile	04.10.2005	50	38	12	5	9	2	2
7	Cristești	23.10.2005	24	4	20	1	9	3	3
8	Peresecina	28.10.2005	37	29	8	2	17	5	4
9	Slobizia Mare	13.11.2005	29	12	17	4	17	7	7
10	Otaci	30.11.2005	55	20	35	8	17	3	4
	<b>Total</b>		<b>508</b>	<b>282</b>	<b>226</b>	<b>50</b>	<b>144</b>	<b>28</b>	<b>29</b>

As Table 3.2 suggests, ten community public hearings on draft local budgets gathered 508 residents, or about **51 people per each public hearing**. Women accounted for 56 percent, or 282 people, of the total number of participants, as opposed to 44 percent of men, or 226 people (see Diagram 3.2). This Table also indicates that the number of women who took part in the events surpasses the number of men. There were communities, though, where the number of men was larger than that of women. Those communities were Răzeni, Cristești, Sobožia Mare and Otaci.



The number of local councilors who partook in the events was 50 people, or about 10 percent of the total number of participants. This is about 35 percent of the total number of local councilors set at 144 people for all ten communities. On the average, there were registered five members of local councils per each public hearing on draft local budgets for 2006.

Twenty-eight residents took the floor during public hearings, or about 6 percent of the total number of participants, that is about three people per each public hearing. During public hearings, the participants put forward 29 propositions and suggestions on draft local budgets; i.e. about 3 propositions per public hearing.

As it is clearly seen from Table 3.2, the number of residents who took the floor during the public hearings on local budgets is 2.7 times smaller than that of residents who took the floor during the public hearings on draft SPSED. We think that these findings can be explained by the factors, which are as follows:

- a) lack of understanding and/or general distrust of many residents in any possibility of a personal influence upon local budget policies;
- b) the above statement was confirmed by some local government officials who maintain that local budget policies are “dictated” by higher authorities and the financial independence of Moldovan communities provided for by national legislation de facto exists on papers only. They also cited some examples;
- c) local organizational committees were inefficient in terms of promoting the importance of participation and interaction with local residents in the course of local budget planning.

Public hearings are the final activity carried out directly at the communities. They reveal the extent to which all social actors are active and how committed they are to strategic planning. An active commitment and input of the majority of communities in the successful organization of public hearings are very notable.

Many residents underscored the importance of the organization of these events on a more regular basis. It is apparent that local residents want to be heard. Such events can be viewed as positive indicators of the level of the transparency of local governments. The public hearings on local budgets had both a direct and indirect impact upon the communities that cannot be disregarded. A great number of residents obtained the information about their local budget for the first time. However, the most important fact is that local people no longer think that local budgets are the responsibility of their administrations or mayors only.

The drawbacks of the aforementioned activities are as follows:

- A relatively low turnout of community residents during these activities, as opposed to the total number of residents.
- The participants of public hearings often put forward the propositions that strategic plans had already contained. This fact shows that residents are not familiar with draft strategic plans in their integrity, but rather put up with their concise versions.
- They were rare, but there were cases when local residents made a number of attempts to start debates with local governments.
- The general apathy of many residents is determined by the fact that after submitting their propositions during public hearings, they are not informed about whether or not and why their ideas had been included in action plans.

In order to improve the strategic planning process, our propositions are as follows:

- In reference to the drawbacks outlined in the last paragraph, we suggest that *within 2 weeks, the Organizational Committees with local governments make public the results of the reviews of propositions put forward by local residents during and after public hearings by issuing communiqués or any other official statements.*
- We suggest that participatory methods of local budget planning be promoted in the communities. This can be achieved by apprising local residents of local budgets on a regular basis. It was very good news for the project when at a number of communities, chief accountants said that the quarterly reports on local budgets, as well as those on revenues and spending, would be made official at town/ village halls for general public.
- Some communities resort to an efficient and cost wise method of promoting people's participation in problem-solving projects. We are referring to the certificates awarded by local government officials during public hearings for an active participation at strategic planning workshops.

Public hearings on draft local budgets were held by ten communities from July 24 till November 30, 2005. Such a protraction was mainly caused by the fact that some communities were behind the schedule while drafting their local budgets because they expected to obtain a number of indices from their Regional Finance Departments.

### ***3.3 Endorsing Strategic Plans for Social and Economic Development (SPSED)***

All ten new communities and LGRP partners had their strategic plans approved by local councils. The list of communities and council resolutions are presented in Table 3.3.



**Table 3.3 Resolutions approving SPs**

#	Community	Date when public hearings (PH) were held	Resolution	Date of approval	Number of days after PH
1	Zorile	24.07.2005	6.2	25.08.2005	32
2	Otaci	29.07.2005	16/3	07.10.2005	70
3	Cristești	31.07.2005	6/3	29.08.2005	29
4	Peresecina	02.08.2005	9 p.1	29.08.2005	27
5	Slobizia Mare	07.08.2005	11	18.10.2005	72
6	Olănești	04.09.2005	5.1	21.09.2005	17
7	Cojușna	18.09.2005	10.5	20.10.2005	32
8	Răzeni	25.09.2005	6/16	27.09.2005	2
9	Pohrebeni	25.09.2005	9/1	13.10.2005	18
10	Sireți	02.10.2005	26/11	12.10.2005	10

According to Table 3.3, only Răzeni and Sireți communities did not meet the requirement of providing a two-week period after the public hearings and before the approval of strategic plans, which is designed to allow the participants to assemble and review propositions and suggestions that differ from those put forward in the course of public hearings. Such decisions, however, were well-thought out and approved by local councils.

Consequently, our general conclusions are as follows:

1. New LGRP partners have abided by the provisions of the Collaboration Agreement;
2. The provisions of the Collaboration Agreement were not well-known at the communities, which in turn generated false expectations and suspicions.
3. In the majority of communities, local councilors acted as passive observers of the activities carried out under the project.
4. Organizational Committees in charge of public hearings did not perform preliminary activities in a timely manner.

## **4 ASSISTING TWENTY-FIVE COMMUNITIES IN UPDATING THEIR STRATEGIC PLANS**

The main activities of this segment included:

- a) Reviewing and updating the social and economic profiles of participating communities and drawing up reports on the performed activities;
- b) Assembling necessary materials for the organization of workshops designed to update strategic plans;
- c) Conducting strategic plan updating workshops;
- d) Finalizing updated strategic plans; drawing up the reports on strategic plan updating workshops.

### **4.1 Reviewing and updating the social and economic profiles of communities**

This type of activity was the first to be carried out in the communities that required that their strategic plans be brought up to date. All the communities were offered to fill out an exhaustive questionnaire in order to update their social and economic profiles. Moreover, the residents of the communities that benefited from

the assistance were also polled. The idea behind the polls was to explore the opinions of community residents about a number of changes that ensued in the wake of strategic plans.

The teams of facilitators were also asked to fill out the questionnaire for the communities they assisted (see Appendix 3).

#### 4.2 Organizing Strategic Plan Updating Workshops

The main activities of this stage were as follows:

- Preparing the activities in conformity with „The Strategic Planning Handbook of Facilitators” for two-day strategic plan updating workshops;
- Conducting strategic planning workshops in conformity with „The Strategic Planning Handbook of Facilitators” and the Bryson Method for public and non-profit organizations for two days;
- Finishing drafting updated strategic plans; drawing up the reports on strategic plan updating workshops and their results.

There were eight communities and new LGRP partners that were given three days for the activities, since they devised their strategic plans following a methodology, which differed from the one applied by LGRP for updating workshops. The list of communities is presented in Table 4.2.1.

**Table 4.2.1 Three-day SP Updating Workshops**

#	Community, Raion
1	Alexandreni, Singerei
2	Balasesti, Singerei
3	Bubuieci, Chisinau
4	Chiscareni, Singerei
5	Cazaclia, Gagauzia
6	Congaz, Gagauzia
7	Pepeni, Singerei
8	Pelinia, Drochia

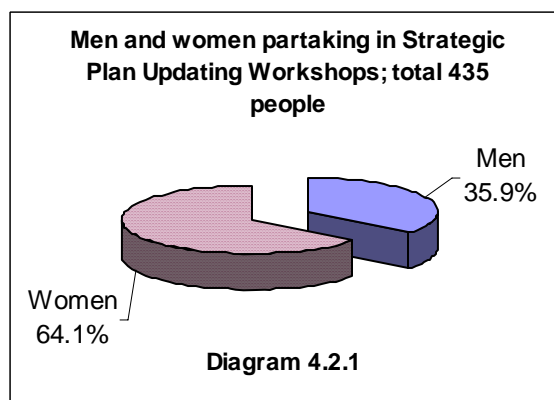
Table 4.2.2 contains the list of communities and the number of participants in strategic plan updating workshops.

**Table 4.2.2 SPSED Updating Workshops**

#	Community	Date	Number of participants		
			Men	Women	Total
1	Bubuieci	July 8-9, 11, 2005	4	16	20
2	Sarata Galbenă	July 11-12, 2005	8	13	21
3	Dubăsarii Vechi	July 13-14, 2005	4	16	20
4	Vadul lui Vodă	July 13-14, 2005	8	9	17
5	Nicolaeuca	July 13-14, 2005	4	9	13
6	Selemet	July 19-20, 2005	5	10	15
7	Alexandreni	July 21-23, 2005	7	13	20
8	Pelinia	July 27-29, 2005	7	9	16
9	Dobrușa	July 27-29, 2005	6	8	14
10	Ermoclia	July 29-30, 2005	5	7	12

#	Community	Date	Number of participants		
			Men	Women	Total
11	Cașunca	August 1-2, 2005	7	10	17
12	Ocnita	August 3-4, 2005	9	10	19
13	Chișcăreni	August 3-5, 2005	6	15	21
14	Marinici	August 4-5, 2005	8	10	18
15	Cișla	August 5-6, 2005	5	11	16
16	Copceac	August 8-9, 2005	11	5	16
17	Cigirleni	August 9-10, 2005	3	8	11
18	Bilicenii Vechi	August 10-11, 2005	7	12	19
19	Cazaclia	August 10-12, 2005	6	13	19
20	Congaz	August 15-17, 2005	8	11	19
21	Măgdăcești	August 16-17, 2005	3	13	16
22	Tvardița	August 18-19, 2005	4	16	20
23	Hrușova	September 26-27, 2005	3	13	16
24	Bălășești	September 30 – October 2, 2005	7	15	22
25	Pepeni	October 3-5, 2005	11	7	18
	<b>Total</b>		<b>156</b>	<b>279</b>	<b>435</b>

As Table 4.2.2 suggests, SPSED updating workshops were attended by 435 residents, of whom 279 residents, or about 64 percent, were women and 156 residents, or about 36 percent, were men (see Diagram 4.2.1). On the average, each SPSED Updating Workshop carried out in 25 communities was attended by 17 residents.



All the activities unfolded in conformity with “The Strategic Planning Handbook of Facilitators.” The eight communities that devised their SPs on the basis of methodologies other than the one applied by LGRP, held their SPSED updating workshops in the course of 3 days. Some of those communities confirmed that the Bryson Methodology enabled them to gain a better understanding of the entire strategic planning process.

In all of the communities, the team of facilitators in collaboration with local governments succeeded in involving in SPSED updating workshops about 50 percent of residents who had previously partook in the activities designed to devise or update strategic plans. A number of participants of SP updating workshops pointed out in evaluation reports that they are capable of conducting SP updating activities without any assistance.

Updated strategic plans are generally of a different quality, as they better reflect the real potential of communities. We also need to stress that some of the communities that collaborate with LGRP have

already expanded their collaboration with other donor-organizations operating in the Republic of Moldova. This is why they were implementing more than one community projects.

## 5 ASSISTING TWENTY-FIVE COMMUNITIES IN ORGANIZING PUBLIC HEARINGS UNDER UPDATED SPSED AND AS PROVIDED BY LOCAL BUDGETS

The main activities held during this stage were as follows:

- Assisting communities in preparing the materials for public hearings; the organization of public hearings in conformity with updated strategic plans and as provided by local budgets (two public hearings per community).
- Assisting communities in preparing their updated strategic plans for social and economic development;
- Submitting the updated strategic plans and reports on public hearings to LGRP;
- Submitting the copies of resolutions approving updated strategic plans by local councils to LGRP;
- Presenting the final drafts of updated strategic plans and approved by local councils to LGRP.

### 5.1 Holding Public Hearings on Updated Strategic Plans

In conformity with "The Strategic Planning Handbook of Facilitators," the drafts of updated strategic plans were presented to local communities during public hearings. Table 5.1 shows the data on public hearings on updated strategic plans held by LGRP's twenty-five partner-communities.

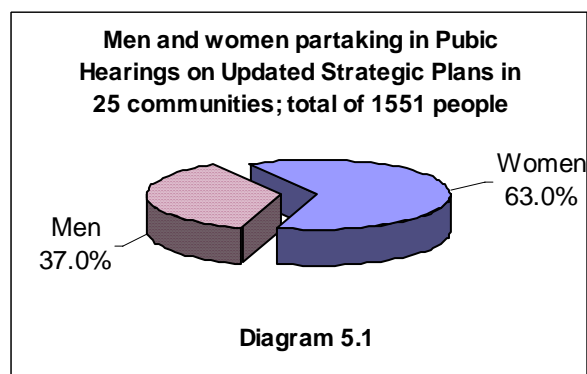
**Table 5.1 Public Hearings on updated SPSED**

#	Community	Date	Number of participants			No of participating local councilors	Total of local councilors	No of presenters	Propositions
			Total	Women	Men				
1	Alexandreni	09.08.2005	116	88	28	5	17	6	13
2	Nicolăieuca	09.08.2005	46	25	21	7	11	5	8
3	Ocnîța	18.08.2005	75	44	31	5	17	8	24
4	Chișcăreni	24.08.2005	91	58	33	3	15	12	14
5	Cigârleni	28.08.2005	170	119	51	3	13	6	6
6	Cașunca	02.09.2005	27	18	9	2	11	5	8
7	Cîșla	04.09.2005	50	32	18	5	9	5	6
8	Selemet	08.09.2005	21	9	12	3	13	3	3
9	Vadul lui Vodă	11.09.2005	32	20	12	2	13	8	10
10	Dobrușa	16.09.2005	36	23	13	4	11	2	2
11	Marinici	18.09.2005	12	4	8	3	11	3	6
12	Sărata Galbenă	18.09.2005	80	30	50	7	15	9	18
13	Bubuieci	23.09.2005	74	39	35	12	17	4	4
14	Măgdăcești	23.09.2005	28	21	7	3	11	19	16
15	Ermoclia	28.09.2005	51	40	11	6	13	2	1
16	Bilicenii Vechi	27.10.2005	54	37	17	4	13	1	1
17	Pelinia	30.10.2005	74	56	18	7	17	5	10
18	Bălășești	06.11.2005	80	30	50	7	13	4	4
19	Pepeni	08.11.2005	94	57	37	10	15	3	3
20	Hrușova	20.11.2005	30	21	9	5	11	3	3
21	Tvardița	25.11.2005	19	14	5	1	14	4	4

#	Community	Date	Number of participants			No of participating local councilors	Total of local councilors	No of presenters	Propositions
			Total	Women	Men				
22	Congaz	06.12.2005	29	9	20	16	17	3	4
23	Cazaclia	06.12.2005	41	23	18	5	17	12	34
24	Copceac	06.12.2005	155	102	53	1	17	1	22
25	Dubăsarii Vechi	07.12.2005	66	58	8	5	17	4	4
	<b>Total</b>		<b>1551</b>	<b>977</b>	<b>574</b>	<b>131</b>	<b>348</b>	<b>137</b>	<b>228</b>

As Table 5.1 suggests:

- 1) Twenty-five public hearings on updated strategic plans for social and economic development gathered 1,551 residents, or about **62 people per public hearing**. Women accounted for 63 percent of the total number of participants, as opposed to 37 percent of men (see Diagram 5.1).



- 2) Of the total number of participants, 131 were local councilors, or about 8 percent. This accounts for about 38 percent of the total number of the members of local councils set at 348 people in all twenty-five communities. On the average, each public event dedicated to public hearings on updated strategic plans was attended by five members of local councils.
- 3) One hundred and thirty-seven residents took the floor during public hearings, or about 9 percent of the total number of participants, that is about six residents per each public hearing. During public hearings, the participants put forward the total of 228 propositions and suggestions on updated strategic plans, that is, about 9 propositions per one public hearing. Public hearings on updated SPSED were held from August 9 till December 7, 2005, or for about four months. Each team (five teams overall) facilitating project activities were each in charge of five communities – LGRP partners.

## 5.2 Holding Public Hearings on Updated Draft Local Budgets of Twenty-Five LGRP Partner-Communities

Under the Subcontract, LGRP partner-communities held public hearings on their draft local budgets. Table 5.2 presents the data on public hearings on draft local budgets (LB) held in LGRP's twenty-five partner-communities. The communities are listed in chronological order, as they held their public hearings.

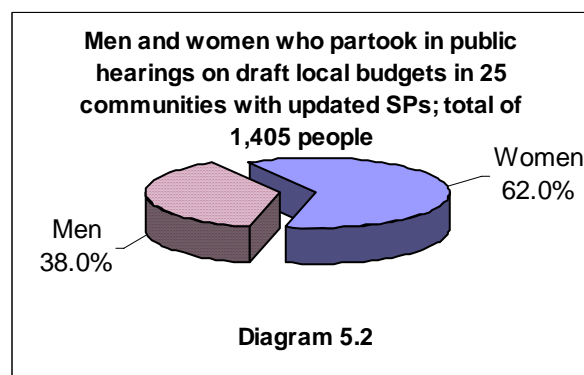
**Table 5.2 Public hearings on draft local budgets**

#	Community	Date	Number of participants			No of participating local councilors	Total of local councilors	No of presenters	Propositions
			Total	Women	Men				
1	Nicolăieuca	09.08.2005	46	25	21	7	11	2	3
2	Cigârleni	28.08.2005	170	119	51	3	13	2	2

3	Vadul lui Vodă	11.09.2005	32	20	12	2	13	0	0
4	Dobrusa	16.09.2005	36	23	13	4	11	0	0
5	Marinici	18.09.2005	12	4	8	3	11	1	1
6	Sărata Galbenă	18.09.2005	80	30	50	7	15	4	5
7	Bubuieci	23.09.2005	74	39	35	12	17	0	0
8	Ermoclia	28.09.2005	51	40	11	6	13	2	2
9	Alexandreni	25.10.2005	73	46	27	3	17	3	5
10	Bilicenii Vechi	27.10.2005	54	37	17	4	13	1	1
11	Selemet	30.10.2005	50	27	23	5	13	4	3
12	Pelinia	30.10.2005	74	56	18	7	17	1	2
13	Cașunca	30.10.2005	14	12	2	2	9	1	2
14	Cîșla	30.10.2005	23	19	4	5	9	3	3
15	Măgdăcești	06.11.2005	36	18	18	7	11	5	4
16	Bălășești	06.11.2005	80	30	50	7	13	1	1
17	Pepeni	08.11.2005	94	57	37	10	15	2	2
18	Hrușova	20.11.2005	30	21	9	5	11	1	1
19	Tvardița	25.11.2005	19	14	5	1	14	1	1
20	Ocnîța	30.11.2005	41	22	19	5	17	4	3
21	Chișcăreni	30.11.2005	25	20	5	0	15	2	3
22	Congaz	06.12.2005	29	9	20	16	17	3	3
23	Cazaclia	06.12.2005	41	23	18	5	17	1	1
24	Copceac	06.12.2005	155	102	53	1	17	1	3
25	Dubăsarii Vechi	07.12.2005	66	58	8	5	17	2	3
<b>Total</b>			<b>1405</b>	<b>871</b>	<b>534</b>	<b>132</b>	<b>346</b>	<b>47</b>	<b>54</b>

Having reviewed the data in Table 5.2, our conclusions are as follows:

- 1) The twenty-five public hearings on draft local budgets for 2006 held in twenty-five communities gathered 1,405 residents, or about **56 people per public hearing**. Women accounted for 62 percent, or 871 residents, of the total number of participants, as opposed to 38 percent of men, or 534 people (see Diagram 5.2)



- 2) Of the total number of participants, 132 were local councilors, or about 9.4 percent. This accounts for about 38 percent of the total number of the members of local councils set at 346 people in all twenty-five communities. On the average, each public event dedicated to public hearings on 2006 draft local budgets was attended by five members of local councils.
- 3) Forty-seven residents took the floor during public hearings on draft LBs, or about 3.3 percent of the total number of participants, that is about two people per each public hearing.

- 4) During public hearings, the participants put forward the total of 54 propositions and suggestions on draft local budgets, which makes about 2 propositions per one public hearing

As Table 5.2 indicates, the number of residents who took the floor during public hearings on draft local budgets is 3 times smaller than the number of residents who expressed their opinions during public hearings on draft SPSED. The total of propositions and suggestions put forward during public hearings on draft local budgets is 4 times smaller than the number of propositions received during public hearings on SPSED.

Of all 25 communities presented in Table 5.2, only three did not submit any propositions and suggestions regarding draft local budgets. This is explained by the fact that these communities held public hearings on their updated SPSED and draft local budgets on the same day. However, we need to emphasize the efforts the local governments and participating parties made to engage local residents in the drafting of local budgets.

Public hearings on draft local budgets were held in twenty-five communities from August 9 till December 7, 2005; that is, about four months.

### *5.3 Endorsing Updated SPSED*

The updated draft strategic plans for social and economic development were submitted to respective local councils for their further approval. The list of communities and council resolutions is presented in Table 5.3.

**Table 5.3. Resolutions approving updated SPs**

#	Community	Date when public hearings (PH) were held	Resolution	Date of approval	Number of days after PH
1	Niculaieuca	09.08.2005	6.3.2	27.09.2005	49
2	Alexandreni	09.08.2005	7/1	29.09.2005	51
3	Ocnita	18.08.2005	06/09	08.09.2005	21
4	Chiscareni	24.08.2005	8/1	16.09.2005	23
5	Cighirleni	28.08.2005	07-01	20.10.2005	53
6	Casunca	02.09.2005	7/2	21.09.2005	19
7	Cisla	04.09.2005	8/1	02.11.2005	59
8	Selemet	08.09.2005	8/2	19.09.2005	11
9	Vadul lui Voda	11.09.2005	8/4	18.10.2005	37
10	Dobrusa	16.09.2005	10/4	21.10.2005	35
11	Marinici	18.09.2005	7/4	08.12.2005	81
12	Sarata Galbena	18.09.2005	7/1	07.10.2005	19
13	Magdacesti	23.09.2005	9.8	19.10.2005	26
14	Bubuieci	23.09.2005	10.3	28.09.2005	5
15	Ermoclia	28.09.2005	6/6	24.10.2005	26
16	Bilicenii Vechi	27.10.2005	6/2	01.11.2005	5
17	Pelinia	30.10.2005	10/4	14.12.2005	45
18	Balasesti	06.11.2005	5/3	08.12.2005	32
19	Pepeni	08.11.2005	7/9	16.12.2005	38
20	Hrusova	20.11.2005	12-04	07.12.2005	17
21	Tvarditsa	25.11.2005	9/6	01.12.2005	6
22	Copceac	06.12.2005	3	09.02.2006	65
23	Cazaclia	06.12.2005	2/3	08.02.2006	62
24	Congaz	06.12.2005	12	22.12.2005	16
25	Dubasarii Vechi	07.12.2005	8/4	14.12.2005	7

Table 5.3 also provides information on the number of days followed after the public hearings on updated strategic plans and the dates when local councils approved the updated strategic plans. As Table 5.3 shows, four communities, Bubuieci, Bilicenii Vechi, Tvardița and Dubăsarii Vechi, failed to meet the requirement of providing two weeks following public hearings and prior to the approval of updated strategic plans - partly due to the fact that the sessions of local councils were scheduled beforehand. These communities also needed to approve their SPs in order to partake in various local development projects implemented by other donor-organizations. There were also two other communities, which, in our opinion, approved their strategic plans with some delay. Those communities were Marinici and Copceac.

Consequently, we arrived at the conclusions that were as follows:

1. The majority of communities failed to amend and modify their strategic plans that had been in progress for one year. The plans were not used as a means to boost collaboration with communities.
2. Strategic planning teams were more passive during updating workshops, as opposed to strategic planning workshops.
3. The set of activities designed to update SPSED will have to be enhanced by other training events in order to develop a number of goals to be further included in action plans.
4. Local councils or town/ village mayor will have to grant official status to strategic planning teams and develop a set of regulations ensuring member representation.

## **6 CONCLUSIONS**

The activities under the Local Government Reform Project are designed to establish and promote new capacities and powers of benefiting communities. The assistance provided under this program is extremely important, as it enables the pre-planned activities to reinforce local communities by engaging all social actors in local problem-solving projects.

1. The communities display interest and responsibility toward the activities under the Subcontract.
2. We established partnership relations with the majority of participating communities.
3. It is necessary to develop the evaluation principles of the Agreement between LGRP and communities in order to prevent a perfunctory attitude toward the carried out activities.
4. The failure of a number of communities to approve their Strategic Plans on the agreed upon terms is equivalent to the violation of the conditions of this Subcontract by Subcontractors. It is necessary to provide clauses that will specify the responsibilities of the communities.

## **7 APPENDICES**

1. The list of communities that were assisted under LGRP
2. The schedule of activities designed to devise and update the strategic plans for social and economic development.
3. An example of a presentation in Cojusna village, Straseni.



## **Annex 1**

### **List of communities that received assistance in strategic planning**

- 1 Cojusna, Strasenii rayon
- 2 Cristesti, Nisporeni rayon
- 3 Olanesti, Stefan-Voda rayon
- 4 Otaci, Ocnita rayon
- 5 Razeni, Ialoveni rayon
- 6 Peresecina, Orhei rayon
- 7 Pohrebieni, Orhei rayon
- 8 Sireti, Strasenii rayon
- 9 Slobozia Mare, Cahul rayon
- 10 Zorile, Orhei rayon
- 11 Copciac, Gagauz Yeri
- 12 Tvarditsa, Taraclia rayon
- 13 Marinici, Nisporeni rayon
- 14 Selemet, Cimislia rayon
- 15 Vadul lui Voda, Chisinau
- 16 Biliceni Vechi, Singerei rayon
- 17 Neculaieuca, Orhei rayon
- 18 Dobrusa, Soldanesti rayon
- 19 Hrusova, Criuleni rayon
- 20 Magdacesti, Criuleni rayon
- 21 Dubasarii Vechi, Criuleni rayon
- 22 Cigirleni, Ialoveni rayon
- 23 Cislă, Telenesti rayon
- 24 Casunca, Floresti rayon
- 25 Ermoclia, Stefan Voda rayon
- 26 Alexandreni, Singerei rayon
- 27 Balasesti, Singerei rayon
- 28 Bubuieci, Chisinau rayon
- 29 Cazaclia, Ceadir-Lunga rayon
- 30 Chiscareni, Singerei rayon
- 31 Congaz, Gagauzia rayon
- 32 Pepeni, Singerei rayon
- 33 Pelinia, Drochia rayon
- 34 Sarata Galbena, Hincesti rayon
- 35 Ocnita, Ocnita rayon

## THE URBAN INSTITUTE

2100 M STREET, NW ■ WASHINGTON, DC 20037

**Marcus L. Stevenson**  
Director of Grants, Contracts, and Pricing

*Direct Dial:* 202.261.5818  
*FAX:* 202.728.0231  
*e-mail:* MStevens@ui.urban.org

Issuance Date: March 25, 2005  
Closing Date: April 11, 2005  
Closing Time: 15:00

Subject: Request for Proposal (RFP) No.01/2005

**The Urban Institute (UI)** implements the **Local Government Reform Project (LGRP)** in Moldova. LGRP is a program funded by the United States Agency for International Development (USAID) aiming to empower local governments in Moldova to achieve greater fiscal autonomy, efficiency, responsiveness, accountability and transparency. To achieve this purpose, the project works directly with city, town, village and township level governments. A primary objective is to increase the capacity of local governments in fiscal improvements, citizen participation in decision-making process and efficient delivery of basic municipal services. To achieve programmatic objectives LGRP cooperates with municipal officials, associations of municipal interests, community based associations of consumers of municipal services and citizens.

The community strategic planning process is basic to community development. The Community Strategic Plan is the first step of LGRP in working with newly selected local governments' partners. A truly broad based inclusive and participatory process, community strategic planning, is increasingly seen as the foundation upon which all-future cooperation and training/technical assistance is based. There is rapidly growing acceptance and demand for expansion of this very useful process in Moldova.

The Urban Institute (UI) is now soliciting proposals from indigenous Moldovan organizations/institutions legally registered in Moldova who have potential capacity and expertise in community strategic planning, to work in partnership with UI to assist LGRP partners in developing and adopting community strategic plans. The work will be carried out under the auspices and oversight of the UI/LGRP Moldova, funded by the U.S. Agency for International Development under the Contract **EEU-I-00-99-00015-00**.

The Urban Institute may award one or more fixed-price type subcontract(s). Award(s) will be made to that responsive and responsible Offeror(s) whose proposal(s) offers the greatest value.

If you decide to submit a proposal, it must be received by the closing date and time indicated at the top of this cover letter at the place designated below for receipt of offers. Proposals and modifications thereof shall be submitted in sealed envelopes clearly marked on the exterior with the words "Community Strategic Planning Proposal" and the name and address of the applicant and RFP No. 01/2005 inscribed thereon, to:



Duane Beard  
Chief of Party  
Local Government Reform Project / The Urban Institute  
#202, Stefan cel Mare Ave., 8th Floor  
Chisinau, MD 2004, Moldova  
Tel. 233-000, fax. 754-433  
E-mail: [info@lgrp.md](mailto:info@lgrp.md)

Issuance of this RFP does not constitute an award commitment on the part of the Urban Institute, or USAID, nor does it commit UI to pay for costs incurred in the preparation and submission of an offer. Further, UI reserves the right to reject any or all offers or parts thereof received. By choosing to submit a proposal each Offeror agrees to be bound by all the conditions contained in this RFP. In addition, final award of a resultant subcontract cannot be made until funds have been fully appropriated, allocated, and committed between USAID and The Urban Institute. While it is anticipated that these procedures will be successfully completed, potential Offerors are hereby notified of these requirements and conditions for award.

Any questions concerning this RFP should be submitted in writing to Maria Salabuga, Administrative Officer, via facsimile at (0 22) 75-44-33 or via e-mail at [msalabuga@lgrp.md](mailto:msalabuga@lgrp.md) not later than 16:00 Moldova local time, April 5, 2005. Oral questions will NOT be accepted. The Urban Institute will answer all questions either in a letter or in a supplement or amendment to the RFP. This supplement or amendment might also reflect changes to the RFP suggested by the questions. Amendments or supplements to the RFP will be mailed to all Offerors who have obtained a copy of the RFP from the Moldovan address indicated above.

Offerors should retain for their records one copy of all enclosures that accompany their proposals.

Sincerely yours,

Marcus L. Stevenson  
Director of Contracts, Grants and Pricing

## 7.1 SECTION I – SPECIAL REQUIREMENTS

### A. PROPOSED DURATION OF THE SUB-CONTRACT(S)

The contract will start not later than May 2005 and completed by December 31, 2005.

### B. TYPE OF SUBCONTRACT

For any/all subcontracts that may be awarded pursuant to this RFP UI intends to award separate fixed price subcontracts.

### C. LOGISTIC SUPPORT

The selected Offeror shall be responsible for furnishing all logistic support at any site in Moldova where work is to be performed, i.e. UI/LGRP is not required to provide logistical support of any kind.

### D. TRAVEL, PER DIEM AND OTHER COSTS

Offerors should estimate for appropriate travel needed to complete this work. Technical and cost proposals should reflect the travel, transportation, per diem and all other costs necessary to support this estimate.

### E. LANGUAGE REQUIREMENTS

Proposals shall be submitted in English and Romanian.

### F. CURRENCY

Proposals shall be submitted based on costs proposed in US dollars. However, payments shall be made in Moldovan lei at the exchange rate of the National Bank of Moldova as of the payment date.

### G. PAYMENT

Payment shall be made on a fixed-price basis in accordance with the contract or contracts that may result from this RFP.

### H. MONITORING AND EVALUATION

UI/LGRP will monitor and evaluate the performance of the subcontractor based on quality and accuracy of the work and timeliness/quality of outputs.



## I. OTHER

Offerors are invited to address questions by e-mail to [msalabuga@lgrp.md](mailto:msalabuga@lgrp.md).

Offerors must submit any requests for clarification questions by April 5, 2005. Responses to questions will be shared with all Offerors.

## SECTION II – INSTRUCTIONS TO OFFERORS

### A. PROPOSAL SUBMISSION

Offerors must submit an original and one copy of their proposal (both in Romanian and English), in separate sealed envelopes, plus an electronic copy of the proposal to: [msalabuga@lgrp.md](mailto:msalabuga@lgrp.md). Original Proposal - bound/stapled and Proposal Copy - unbound/unstapled, respectively.

Offerors shall note that if any discrepancy arises among versions of the proposal, the Original version shall prevail.

Additionally, the following inscription should be typed on the exterior of the envelopes: *“Community Strategic Planning Proposal”* Original documents and their copies shall be put in two sealed envelopes with the respective inscriptions on them, and then all shall be put in another sealed envelope for submittal.

The original proposal and the copy proposal shall be signed and sealed by Offeror's authorized representative. All pages of the proposal shall be signed and stamped by the Offeror.

All Offerors shall submit a proposal directly responsive to the terms and conditions of this RFP.

Proposals shall be submitted at the place, date and time stated in the cover letter of this RFP.

### B. GENERAL INFORMATION

UI seeks the best value in the provision of community strategic planning and also reserves the right to negotiate independently with any Offeror in the interest of seeking the best quality for its partner communities.

### TECHNICAL PROPOSAL

The Technical Proposal in response to this solicitation shall be consistent with LGRP community strategic planning methodology as set out in LGRP training materials and other publications and should address how the Offeror intends to carry out the Statement of Work

contained in Section III. The technical proposal should demonstrate a clear understanding of the work to be undertaken and the respective responsibilities of all parties involved. The technical proposal shall be organized by the technical evaluation criteria listed herein (Section IV).

## **COST PROPOSAL**

The Cost Proposal is to be submitted based on the requirements of Section III – Statement of Work and this RFP.

The Cost Proposal shall include a detailed and comprehensive budget with an accompanying budget narrative that explains in detail the total costs for implementation of the program for each line item.

The budget shall provide sufficient detail so that the reasonableness of the proposed costs can be assessed as part of the evaluation of the proposal. All local taxes, benefits and other costs to be paid by the Offeror related to this program should be included in the budget. All costs are to be shown in U.S. Dollars.

UI reserves the right to require Offeror to submit any other information that in its sole discretion UI believes is necessary in order to adequately support the Offeror's proposed costs.

The Urban Institute is exempt from payment of the Valued Added Tax (VAT); therefore, proposals shall exclude VAT where otherwise applicable.

## **D. OTHER DOCUMENTATION TO BE SUBMITTED BY OFFEROR**

1. Compulsory documents to be submitted by Offerors before the RFP deadline:
  - a) Offeror Data – original, as per sample in Section V – Sample Documents confirmed by the Offeror's signature and stamp;
  - b) Proposal – original, per sample in Section V – Sample Documents, confirmed by the Offeror's signature and stamp;
  - c) Registration certificate – copy, issued by the State Registration Chamber (Ministry of Justice), confirmed by the Offeror's signature and stamp;
  - d) Bank account certificate – original, issued by the bank with whom the Offeror has an account with;
  - e) Offeror profile - description of the organization's activities and projects implemented over past five years, especially in the public sector.
2. Optional documents deemed to be necessary to be presented only if subsequently requested by UI:
  - a) Document confirming capacity to appropriately execute the subcontract – original, issued by the Offeror and comprising the following information:
    - Experience and performance;
    - Number of employees; consultants; skills thereof;



- Available facilities and locations thereof;
  - Attached copies of actual sample contracts currently in force, etc.
- b) Reference letters (at least three) – originals;
- c) List of three to five clients where work similar to that called out in the RFP was implemented by the Offeror, with contact telephone numbers of their directors or other representatives.

#### E. VALIDITY PERIOD OF OFFER

1. Proposals shall guarantee to remain valid for one hundred twenty (120) calendar days, starting from the closing date of this RFP.
2. UI reserves the right to request in writing an extension of the validity period of the proposal for additional sixty (60) days without further revisions to the cost proposal.

#### F. LATE PROPOSALS

Proposals received after the closing date and time shall not be considered.

### SECTION III- STATEMENT OF WORK

#### A. BACKGROUND

**Community Strategic Planning.** LGRP assists local officials and citizens to work cooperatively in formulating community strategic plans for the socio-economic development of the respective communities. The Project also has helped mayors' associations to develop organizational strategic plans. The community strategic planning process has been very instrumental in encouraging interaction between local government officials and citizens. Both groups have discovered common interests in the process of jointly confronting the problems facing their communities. In Moldova, the community strategic planning process has evolved as the key first step in working with a new LGRP local government partners. A truly participatory community strategic planning process is increasingly seen as the foundation upon which all future cooperation, training/technical assistance and development is based. There is now a rapidly growing acceptance and demand for expansion of this very useful process.

Community Strategic Planning Assistance is one of the major elements of the Democracy & Governance component of the UI/LGRP. The initial approach utilized by the UI/LGRP, during the introduction and demonstration phase of community strategic planning, was based on direct consulting in the strategic planning process by a pool of CCN facilitators. These facilitators were especially trained for this purpose by the Training Resources Group (TRG) and directly employed by LGRP. This approach proved highly successful during the demonstration phase. However, primarily due to high cost factors inherent in the direct donor employment approach during the demonstration phase, this "direct hire approach" will not be sustainable beyond the period of high levels of donor funding. Looking beyond the time horizon of USAID funding, an association of municipal interests and/or other organization or institution, that has close ties

with local government units, is a good choice to sustain the community strategic planning process on a stable and continuing basis. Such an organization would be expected to provide useful assistance to the communities in developing, implementing and updating the strategic plans. Additionally, such organizations could be able to organize, conduct and monitor implementation of the strategic planning process across the Republic.

LGRP has a strategic goal of creating a cost-effective approach for ensuring a long-term sustainability strategy of a community strategic planning process for local governments in Moldova via strengthening the capacity of municipal interest associations and community based associations of consumers of municipal services.

As the phenomenon of community strategic planning achieves wider acceptance in the future, and more indigenous institutions/organizations manifest potential delivery capacity, LGRP seeks to consider a broader general request-for-proposals process that may result in several simultaneous sub-contracts for delivery of community strategic planning services in Moldova.

The purpose of the subcontract(s) is to provide the community strategic planning assistance in a professional and cost-effective manner and to enhance the sustainability to the community strategic planning process in Moldova beyond the life of LGRP Project. This is consistent with LGRP strategic task of strengthening the capacity of indigenous NGOs, Associations and institutions, in influencing public policy at the local level. This concept also fits the need to create a cost-effective approach for ensuring the sustainability of a community strategic planning process for local governments in Moldova.

## **SCOPE OF WORK**

With the oversight of the LGRP technical monitor, the subcontractor(s) shall provide assistance in community strategic planning process.

## **METHODOLOGY**

The approach of this assignment shall be based on the most current version of the LGRP community strategic planning model and training materials and will be similar to that employed by the trainers to the previous LGRP partner communities.

### **1. Assist 10 communities (TO BE SPECIFIED BY LGRP) in developing new community strategic plans:**

- Conduct environmental scans of the localities, prepare socio-economic profiles of the communities and report
- Preparation for round table discussions with community stakeholders
- Conduct roundtables discussions with community stakeholders – at least one in each community
- Prepare report that summarizes the participation and results of each round table discussion
- Prepare for community strategic planning workshops – one in each community



- Deliver community strategic planning workshops- one in each community (according to the LGRP Community Strategic Planning Guide based on Bryson's Model for Public and Non Profit Organizations)
- Finalize the drafts of strategic plans; prepare final reports on strategic planning workshops - one for each community
- Provide copies to each participant immediately upon completion of workshop (implies a need for a laptop, recorder, and printer)

**2. Provide training for mayors and local councilors in the selected communities on conducting public hearings on draft community strategic plans and on proposed draft annual budget in 10 communities (TO BE SPECIFIED BY LGRP):**

Prepare materials for the training sessions

- Deliver training sessions on preparing and conducting public hearings
- Prepare reports on training events on public hearings – one for each training including the list (numbers, names and gender) of trainees

**3. Assist 10 communities in organizing and conducting public hearings on draft community strategic plans (CSP) and proposed annual budgets:**

- Assist communities in preparing materials (including a “Strategic plan in brief”), organizing and conducting public hearings on the draft community strategic plans and proposed draft budget of the community – one hearing on each topic in each community (2 hearings in total)
- Prepare and submit a report summarizing the results of all public hearings including total attendance, number and gender of attendees, and number and gender of citizens choosing to testify, and their topics, generally.
- Assist communities in integrating the results of public hearings preparing the final version of the community strategic plan for socio-economic development of the community (by introducing suggestions/proposals expressed at the public hearings and reviewing some with original community strategic plan)
- Submit the final draft of the community strategic plan to the LGRP and prepare a report on public hearings
- Secure from the community and submit to LGRP an official copy of the “action of local council” that enacts or adopts the community strategic plan

**4. Assist 25 communities (TO BE SPECIFIED BY LGRP) in updating community strategic plans:**

- Review and update the socio-economic profiles of the communities and report
- Prepare for workshops on the strategic plan update - one in each community
- Deliver workshops on strategic plan update - one in each community
- Finalize draft strategic plan - one for each community and prepare final reports on strategic plan update workshop
- Submit an official copy of the “action of local council” that enacts the updated community strategic plan

**5. Assist 25 communities (TO BE SPECIFIED BY LGRP) in organizing and conducting public hearings on the updated community strategic plan and the proposed annual budget:**

- Assist communities in preparing materials, organizing and conducting public hearings on the updated strategic plan and budget of the community – one hearing on each topic in each community (2 hearings total in each community)
- Assist communities in preparing the final version of the updated strategic plan for socio-economic development of the community (by introducing suggestions/proposals expressed at the public hearings)
- Submit the final draft of the updated CSP to the LGRP and prepare a report on public hearings
- Secure from the community and submit to LGRP an official copy of the “action of local council” with official documentation of the adoption of the updated community strategic plan

## **DELIVERABLES**

The Subcontractor shall submit the following deliverables in Romanian/Russian (depending on the community specifics)

### **Activity 1: Assist 10 communities in developing new community strategic plans:**

- The socio-economic profile of each community
- Report on the environmental scan
- Report on the round table discussions with community stakeholders
- Report on the strategic planning workshop
- A draft of the community strategic plan ready for presentation at the public hearings

### **Activity 2: Provide training for mayors and local councilors on conducting public hearings on proposed draft community strategic plans and on proposed draft annual budget in 10 communities:**

- Report summarizing public hearing trainings
- List of trainees from public hearings training (including numbers, names, gender of attendees)

### **Activity 3: Assist communities in organizing and conducting public hearings on the proposed draft community strategic plan and proposed annual budget in 10 communities:**

- A community strategic plan-in-brief and budget-in-brief, press releases, announcements, posters and other materials related to the public hearings
- Report on public hearings with an analysis of proposals expressed at the public hearings and during two weeks after the public hearings
- A revised version of the community strategic plan to be submitted to the local council for approval
- Official copy of the “Action of local council” with adoption of the community strategic plan

### **Activity 4: Assist 25 communities in updating community strategic plans:**

- Revised socio-economic profile of each community
- Report on the environmental scan
- Report on the community strategic planning workshop

**Activity 5: Assist 25 communities in organizing and conducting public hearings on the updated community strategic plan and proposed annual budget:**

- A community strategic plan-in-brief and budget-in-brief, press releases, announcements, posters and other materials related to the public hearings
- Report on public hearings with an analysis of proposals expressed at the public hearings and during two weeks after the public hearings
- A revised version of the community strategic plan to be submitted to the local council for approval
- Official copy of the “Action of local council” with adoption of the community strategic plan

**FINAL REPORTING:**

A Final Report summarizing the activities completed and results achieved based on the work conducted by the Subcontractor(s) pursuant to the terms of this agreement, including but not limited to:

- Development of community strategic plans
- Updating of community strategic plans,
- Supporting conducting formal public hearings on the strategic plan and annual budget,
- Number of the new community strategic plans and updated community strategic plans officially adopted
- Other general observations, comments and recommendations.

**SECTION IV- EVALUATION CRITERIA**

**A. Technical Evaluation**

The criteria below are presented by major category, so that Offerors are aware of the areas of importance that require emphasis in the preparation of the technical proposal. The evaluation criteria set forth below are those against which all proposals will be evaluated.

A technical evaluation committee will evaluate and score the proposals based on the criteria set forth below.

**i. Technical approach**

**30 insert points**

Offeror shall specify and document a thorough understanding a cycle of community strategic planning process integrated with the community budget process and ensuring the sustainability of a community strategic planning process for local communities in Moldova.

The Offeror shall demonstrate its capacity and certify its willingness to successfully utilize the LGRP technical process set forth in “*Community Strategic Planning Guide, USAID/LGRP*” reviewed in 2003.

**ii. Corporate Capacity**

**40 insert points**

*Technical Capacity:* Offeror shall demonstrate its technical capacity to provide satisfactory services and to produce acceptable quality deliverables described and required in the Scope of Work, including access to

resources (human and physical) required to successfully complete the Scope of Work. The Offeror must provide credible written proof that the resources needed to perform under this section are at its disposal.

*Management Capacity:* Offeror shall demonstrate capacity to properly manage a contract/subcontract under a donor-funded effort, including adequate accounting systems, ability to operate within budget, and the ability to assure high quality performance. The proposal should also demonstrate flexibility in providing services to respond to unforeseen developments, which may be beyond the control of the Offeror.

### iii. Past Performance

**30 insert points**

Offeror shall include a list of contracts held during the past five years. Offeror shall include, contract #, client name, brief description of the services provided, or specific past performance information should be included that will permit UI to evaluate and score the proposal. Factors considered may involve, but may not be limited to client's perception of quality of work; based on discussions of the technical quality outputs; technical qualification of staff; timeliness of past performance; flexibility; ability to present results coherently in writing and in person and ability to operate within budget constraints.

### TOTAL

**100 points**

## B. Cost Evaluation

Although Cost proposals will not be scored, they will be evaluated and analyzed for cost reasonableness, accuracy, completeness and realism. Cost proposals should include a detailed budget breakdown of costs per the instructions in Annex A. Each cost proposal shall include a budget narrative explaining the composition of each line item.

- a. **Cost Reasonableness.** UI will make a determination of cost/price reasonableness based on local market conditions determining the reasonableness of proposed costs/prices might entail making comparisons among competing offers received and considering what is offered in absolute terms.
- b. **Cost Completeness.** An assessment of the level of detail the Offeror provided in cost/price data for all RFP requirements will be made. The Offeror's budget must be adequately supported by notes, explicitly stated assumptions and schedules.
- c. **Methodology.** UI will evaluate the reasonableness of the Offeror's budgeting methodology and rationale, which must be thoroughly explained as part of the cost/price proposal.

## OFFER EVALUATION AND CONTRACT AWARD

- a. UI intends in good faith to award a subcontract or subcontracts resulting from this solicitation to those responsible Offeror(s) whose proposal(s) represent(s) the best value after evaluation in accordance with the criteria/factors listed in this RFP. However UI reserves the right to evaluate proposals and award a subcontract with or without discussions with Offerors (other than communication for purposes of minor clarification). Therefore, each Offeror's initial proposal should contain the Offeror's best terms for both technical and cost elements.



- b. Further, UI may reject any or all proposals or parts of proposals if such action is in the best interest of the UI.
- c. UI may, at its discretion, waive minor informalities and minor irregularities in proposals received.
- d. UI will select and convene, at its discretion and convenience, a technical evaluation panel to evaluate each technical proposal based upon the technical evaluation factors set forth below. A technical proposal can be categorized as unacceptable when it has many deficiencies or gross omissions or both and thereby demonstrates a failure to understand the scope of work necessary to perform the required tasks or fails to provide a reasonable, logical approach to fulfilling UI's requirements or fails to meet the personnel requirements. A finding of unacceptable in one technical evaluation factor may result in the entire technical proposal of an Offeror being found to be unacceptable.
- e. Cost proposal will be analyzed as part of the proposal review process. Proposed costs/prices may be adjusted, based on the results of the cost/price analysis and UI's assessment of reasonableness, completeness, and credibility, subject to final negotiations with a selected offeror.
- f. Subcontracts decisions will be made by UI and contract(s) may be negotiated with the responsible Offeror(s) whose proposal, best conforms to this RFP and considering the above evaluation criteria, represents the best overall value to UI. The evaluation criteria set forth above will be used by UI as a guide in determining which proposals will present the best value to UI.

## **DETERMINATION OF RESPONSABILITY**

It is US Government and UI policy that purchases shall be made from, and contracts shall be awarded to, responsible prospective contractors only.

No purchase or award shall be made unless the UI Contractual Representative makes an affirmative determination of responsibility. A prospective contractor must affirmatively demonstrate its responsibility, including, when necessary, the responsibility of its proposed subcontractors.

To be determined responsible, a prospective contractor must:

- A. Have adequate financial resources to perform the contract, or the ability to obtain them;
- B. Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing commercial and governmental business commitments;
- C. Have a satisfactory performance record. However, a prospective contractor shall not be determined responsible or non-responsible solely on the basis of a lack of relevant performance history;

- D. Have a satisfactory record of integrity and business ethics, by the organization and by the individual principles;
- E. Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them (including, as appropriate, such elements as production control procedures, property control systems, quality assurance measures, and safety programs applicable to materials to be produced or services to be performed by the prospective contractor and subcontractors);
- F. Have the necessary production, technical equipment and facilities, or the ability to obtain them;
- G. Be otherwise qualified and eligible to receive an award under applicable laws and regulations.
- H. Be capable and willing to provide full and complete access to financial and other records for the purpose of conducting or responding to a post-audit by, or on behalf of, USAID or UI.



## ANNEX A

### MEMORANDUM

**To:** Potential Bidders/Host Country Subcontractors  
**From:** Renee Hendley  
International Programs Manager  
**Re:** Instructions for Preparing Cost Proposal

---

USAID requires the Urban Institute (UI) to provide detailed budgets for all components of a project. Therefore, you must provide a detailed budget for the costs related to the work your firm proposes in the Technical Proposal.

Attached is a model budget template in EXCEL, which may be used by potential bidders. Potential bidders may also use their own budget templates, but they must not differ substantially from the model budget. Whatever template used, the submitted budget must identify and explain all proposed costs. Budget Notes or a Budget Narrative, documenting how proposed costs are calculated, should also be prepared to accompany proposed cost figures. The attached EXCEL budget template and «Example» budgets have been developed primarily for use by small, host-country organizations whose budgets will solely consist of direct charges.

### **COST PROPOSAL INSTRUCTIONS**

1. Please prepare a Biographical Data Sheet (USAID form 1420-17) for each individual proposed in your budget. A copy of this form and instructions for preparing the Biographical Data Sheet are attached. Make sure that the daily rate proposed on the Biographical Data Sheet for each candidate agrees with the daily rate proposed in the budget.

It is both UI's and USAID's policy only to pay for individual daily rate charges that can be Justified and documented. In addition, the proposed daily rate for an individual on the Biographical Data Sheet may not be higher than the actual amount paid and/or to be paid to that individual, or higher than that charged by the firm for this individual for other work.

2. Labor costs should be shown in the budget on a daily rate basis (cost per day) for each person working on the project. The number of days budgeted for each person should be based on the number of days that that person is expected to work directly on the project. If social fund payments (such as employee taxes, health fund contributions, or other legally required taxes related to labor costs) need to be budgeted, please identify these costs and provide an explanation and the basis for the amount used.
3. Include a detailed estimate of "Other Direct Costs" (ODCs) (e.g. supplies, telephone, television air time, etc.), which are necessary for the work assigned to your firm. Each item of cost should be separately identified and explained. Please add lines for ODC cost items that you will be including in your cost estimate that are not already contained in the attached EXCEL budget template; similarly, you should delete ODC lines from the attached EXCEL budget template that you do not need to prepare your proposed budget. The attached "Example" budgets provide guidance on the types of documentation/justification required.

4. If there are other indirect cost items that you normally include in your budgets (e.g. accounting costs, office management, office rent and utilities), these need to be represented as a direct charge in the budget pro-rated based on the ratio between direct labor cost working on this project divided by total labor costs of the firm during the same time frame.
5. Please include the following statement in the notes to your budget: "The proposed personnel did not result from a suggestion by a USAID employee." The budget should be signed by the chief executive officer or other authorized person of your firm.

A sample budget is attached for your use.



## Instructions for Completing USAID Form 1420-17, Biographical Data Sheet

Please remember the following items when completing USAID Biographical Data Sheet (also called Biodata form).

**Block 1:** Provide the proposed person's full name as follows: (Family, First, Middle).

**Block 2:** Type the name of the firm for which the individual is working.

**Block 3:** Indicate the employee's HOME address only (per USAID instructions).

**Block 4.** Please do not write anything in this block. UI will complete this.

**Block 5 and 7:** Complete as instructed.

**Block 6:** Enter the proposed salary converted to a daily rate for the person named in **Block 1**. USAID will not reimburse for a salary that is above the Maximum Reimbursable Rate,\* specified below. The proposed daily rate must be based on one or the other of the following two methods:

- 1) If the person named in **Block 1** is (or will be) an employee of your organization, use the current annualized salary that you are (or will be) paying this employee and divide it by 260. (USAID specifies a work year as being 260 days.)

**OR**

- 2) If the person named in **Block 1** is not an employee of your organization but rather a consultant to be engaged for a short term assignment on this project, the following should be used as the basis for the proposed rate:
  - a) The consultant's current, standard, daily rate that he/she uses for the same or similar work and receives payment for from other clients, provided that he/she has received payment at this rate for more than 130 days in the last 12 months;
  - b) If the consultant has billed clients for at least 130 days of time in the last 12 months but bills clients at different rates for the same or similar work, the proposed daily rate must be the most favorable rate to the client that the consultant charges;
  - c) If the consultant, does not have a daily rate that meets the criteria as specified in a) or b), above, the proposed daily rate should be based on the highest salary for a 12 month period that the consultant has earned over the last 3 years. The highest 12-month salary should then be divided by 260 (days) to arrive at the daily rate.

All proposed daily rates must be supported by information contained in **Blocks 14 and/or 15**. UI reserves the right to review and require documentation of proposed daily rates and of organization written personnel policies.

**\* The Maximum Reimbursable rate for this award is \$483.44.**

**Block 8:** Indicate the employee's HOME telephone number (per USAID instructions).

**Block 9:** Indicate the employee's place of birth (city/state/country).

**Block 10:** Indicate the employee's citizenship.

**Block 11:** Indicate "None".

**Block 12:** Indicate the following education information, listing the highest degree first.

In the first column, indicate the name of the school -- include the city, state, and country.  
In the second column, indicate the employee's major--the technical area of the degree received.  
In the third column, indicate the degree level.  
In the fourth column, indicate the date the degree was received.

**Block 13:** Indicate the employee's language proficiency in both speaking and reading, and rate them according to the Foreign Service Institute language rating levels:

2 = limited working proficiency  
3 = general professional proficiency  
4 = advanced professional proficiency  
5 = functional native proficiency

**Block 14: Employment History Section.** Note that this information is for the last **3 years ONLY**. Each line only shows the employee's salary each time the annual salary changed over the last 3 years. For example, if the employee has been at the same job for 2 years with 2 salaries (a salary increase after one year), the same job should be entered on 2 lines (one line per salary). Indicate the position, employer's name, address, supervisor, and telephone numbers for each employment. When indicating the salary for each year (in US\$), do not include bonuses, commissions, or consulting fees. Please read carefully the instructions for this section. Only include the yearly salary for that job, for that time period. LIST SALARY SEPARATELY, AND THEN THE POSITION TITLE AND THE TIME APPLICABLE TO EACH SEPARATE SALARY. If more than three lines are needed, you may add a line or a separate sheet of paper.

**Block 15: Specific Consulting Services.** Note that this information is for the last **3 years ONLY**. (NOTE: DO NOT report salary/remuneration in this section that has already been listed in Block 14, above.)

In the first block, please indicate the proposed person's position for each individual consulting assignment over the three-year period.

In the second block, indicate the employer's name, address, supervisor, and telephone numbers for each assignment. Each assignment must be listed separately.

In the next COLUMNS, indicate the start dates and end dates (month and year) of each assignment, the number of days you worked at each assignment, and what that daily rate was (in US\$).

Attach a separate sheet of paper if additional space is needed to complete this section.

**Block 16:** The employee and/ or consultant must sign the form and date it.

**Block 17:** An authorized officer of your organization must sign, date, and certify in this box that the above information is complete and accurate.

**Return this information for each proposed staff person in the requested format along with your proposal.**

## REPORT ON LGRP BEST PRACTICES COMPETITION

(2004 – 2005)

The USAID Local Government Reform Project (LGRP) in Moldova initiated the first ever Best Practices Competition among local governments in 2003. The Best Practices Competition seeks to improve governance by the identification, recognition and dissemination/replication of indigenous best practices in selected areas of local government operations. This effort can make available examples of “home grown” excellence. The process also increases public awareness of the value of capable local government management at the community level. Besides, the intrinsic link between the analyses of local government management and the strengthening of democratic governance at the grass root level is a critical element in building efficient, responsive, and accountable democratic institutions as a means of improving democratic governance at the community level.

Following the LGRP initiation of the Best Practices Competition among local governments in Moldova five communities were awarded the “Best Practice Award” for successful local governance projects in spring of 2004. This year, 2005, LGRP has recognized excellence in local governance for the second time and eight communities received the “Best Practice Award”. The purpose<sup>1</sup> of this effort is to identify and encourage innovative and useful municipal best practices developed and implemented here in Moldova, and then to disseminate these best practice cases to other communities. In this way, LGRP recognizes the outstanding work performed by mayors, elected officials, local government staff, civil society organizations, local businesses and citizens who have worked together to address the most pressing issues facing today’s communities in the Republic of Moldova.

The LGRP call for nomination of “Best Practices” in Moldova was not limited to LGRP local government partners, but extended eligibility to all local governments (City, Village and Township (Commune) to submit nominations. The best practices competition covers five categories, which reflect some of the most significant functions carried out by local governments. The categories were as follows: (i) citizen participation, (ii) economic development, (iii) innovative organization, (iv) municipal services, and (v) municipal finance. For each nomination, participants are asked to submit a brief narrative that describes how the local government has successfully dealt with a specific problem or challenge by developing the program that has been nominated for a Best Practices Award.

For both Best Practices Competitions the process started in autumn when the competition was announced at the fall LGRP Quarterly Mayors’ Meeting. The call for nominations was also advertised in the national newspaper “Moldova Suverana”, in the regional newspapers through the Association of Independent Press, and in the newsletter “Primarul” which is distributed nationwide to all mayors. The deadline for submitting the nominations is usually early the following year.

For the Best Practices Competition 2004 ten localities nominated a total of 12 best practices and 27 communities nominated a total of 34 best practices for the Best Practices Competition-2005. Each local government nomination was evaluated by a Selection Committee using the following criteria: priority of function, cost effectiveness,

---

<sup>1</sup> The best practices competitions are organized in many countries of the world and such competitions have recognized communities and their administrators and other officials and citizens for their creative contributions to professional local government best practices. This approach is used widely in the United States, Hungary and other countries. In Dubai, the world best practice competition is organized every two years.

transparency, verifiability, availability of documentation, sustainability, demonstration potential, and suitability for dissemination.

The Awards Ceremonies for the Best Practices Competitions took place during the spring LGRP Quarterly Mayors Meeting. At this event participants were recognized for their efforts. The recognition includes certificates or plaques, and a selection of useful professional publications that were awarded to the participants in three categories:

#### BEST PRACTICES COMPETITION 2004

*Category I-Best Practices:*

*Nisporeni (two best practices), Cimislia, Sarata- Galbena, Ocnita, Chiscareni*

*Category II-Honorable Mention:*

*Geamana, Antonesti and Viisoara*

*Category III-Certificate of Participation:*

*Comrat, Sarata Galbena and Poganesti*

It was during these ceremonies when the Best Practices –2005 Competitions reached their culmination - the results were announced and the participants were handed in the awards.

During the Best Practices – 2005 Competition Award Ceremony Her Excellency U.S. Ambassador, Heather Hodges, handed in the “Best Practice of the Year” Award to eight mayors.

#### BEST PRACTICES COMPETITION 2005

The recipients of the 1<sup>st</sup> category award were:

*Category I-Best Practices:*

*Edinet (two best practices), Ialoveni, Carahasani, Biruinta, Chiscareni, Cantemir, Zberoaia, Ceadir-Lunga.*

The other fourteen mayors received the “Honorable Mention” Award on the second day of the Quarterly Mayors Meeting (May 2005). The recipients of the 2<sup>nd</sup> category award were:

*Category II-Honorable Mention:*

*Basarabiasca, Geamana (two best practices), Causeni, Ocnita, Pascani (two best practices), Selemet, Stefan-Voda, Razeni, Ciuciulea, Briceni, Ungheni (two best practices), Hrusova, Viisoara, Carahasani.*

The awards were accompanied by sets of professional books.

For communities awarded for two nominations a second different present was prepared. In case of Edinet town and Geamana township the second present consisted of a set of basket /volley balls and badminton, since the local government’s partners in this best practice were the school and a youth organization. In case of Ungheni and Pascani the second presents were a set of simple healthcare devices and a set of towels respectively.

Out of a total of 27 communities participating in the Best Practice 2005 competition three ones received certificates of Participation:



***Category III-Certificate of Participation:***  
*(Marinici, Dubasarii-Vechi, Vatici).*

In the Quarterly Mayors Meeting from May 2005 three parallel sessions were dedicated to this year's best practice case studies. During these sessions the mayors awarded within the Best Practices–2005 Competition presented their best practices to their colleagues, and answered questions.

Regretfully, starting with 2006 the USAID Local Government Reform Project will not conduct best practices competitions because a separate EU funded Project will dedicate its efforts and (much larger) funds to conducting such. LGRP will share its experience with the above-mentioned project as requested.



**USAID Local Government Reform Project**

29 September 2005

**#202, Stefan cel Mare Avenue, Chisinau, MD 2004, Moldova**

**Tel: +373 22 233-000; Fax: +373 22 75-44-33 E-mail: [info@lgrp.md](mailto:info@lgrp.md)**

**TO:** D. Beard, Chief of Party

**FROM:** A. Ciornei, D&G Program Specialist

**CC:** A. Cantemir, D&G Team Leader

**RE:** Report on CBO Training for Water Consumers Associations conducted in Zberoaia

**DATE:** 29 September 05

In Zberoaia two one-day training programs for water consumers associations were conducted: 1) for community groups who wish to create water consumers associations (September 26, 2005) and 2) for the members of existing associations, aimed at strengthening the association and improving its activities (September 27, 2005).

In the first day 7 communities interested in how to start up a Water Consumers Association were trained. They included 6 LGRP partner communities plus the community of Corjova from Criuleni raion at CoP's recommendation. Three people, including the mayor, represented each community (please see Annex 2 for details). These people are supposed to become the task force in creating future water consumers associations in the respective communities.

In the second day 7 communities interested in undertaking strengthening / developing Water Consumers Associations were trained, also represented by 3 people each. These 3 people were the mayor, the president of the Water Consumers Association and the accountant of the Water Consumers Association (please see Annex 3 for details). Upon the request of the Mayor of Zberoaia an eighth community, Pirlita from Singerei Raion, participated in the training on their own expense. The vice-mayor, also a member of the existing water consumers association from Pirlita, represented that community. The turnout of the attendees was excellent and the interest was high and genuine. Coupled with the best attitude possible on behalf of trainers this generated a constructive atmosphere throughout the workshops. In total 19 trainees were trained in the first day and 22 in the second.

The trainers who conducted these two one-day training programs were the Mayor of Zberoaia, Mrs. Nadejda Darie, the president of "Izvorasul" Water Consumers Association, Mr. Dumitru Axenti, and the accountant of "Izvorasul" Water Consumers Association from Zberoaia, Mrs. Stela Besleaga. A fourth trainer, only for one topic, was the University lecturer Tatiana Saptefrati from the Academy of Public Administration, who was specially invited to lecture on legal aspects concerning the community based associations, and consult on registration and asset management issues. She stayed through the whole training and answered questions and consulted on several aspects as need emerged.

The host trainers did an extraordinary preparation for the training, starting from the preparation of the room for training, the methods and training agenda and ending with arrangements for lunch and coffee breaks. Guided by the mayor all three of them put a lot of heart in what they did. They were excellent hosts and good trainers. They shared all the experience they had in creating and operating a water consumers association, and answered carefully all the questions. In their endeavors to prepare and conduct these trainings they were assisted by the LGRP employees Valeria Ieseanu, Aurelia Cionei and Veronica Moroi.

The Agenda (available in Romanian) consisted of 2 parts. It was based on the training outline specially developed for this purpose. The first part was more theoretical and it included such topics as:

- Public associations – types and areas of activity, legal aspects of registration and functioning
- The historical background of Zberoaia Water Consumers' Association
- The structure and the principles/fields of activity of Water Consumers' Association
- Accounting aspects of the activity of Water Consumers' Association
- Technical aspects of the activity of Water Consumers' Association
- The members of the Association and how to better work with them
- The achievements of Zberoaia Water Consumers' Association and projects implemented in Zberoaia village
- The partnership with local public administration
- Lessons learned from the experience of water consumers association functioning

These topics were presented by the above-mentioned trainers. The accounting aspects were of very high interest, especially use of computer in performing the accounting work. In the second day (in the "advanced" group) the representative of Pepeni village asked if it would be possible to get the tariff calculating software for their future water consumers association, adding that they have already bought the computer. After the training he and the mayor of Pepeni, along with a couple of other mayors came back to the training room where the accountant of Zberoaia water consumers association explained and demonstrated to them how she uses the computer in her work. The high interest raised by the accounting aspect in the operation of a water consumers association was proved again in the evaluation forms, where several participants requested additional training for the accountants of water consumers association.

The second part was more of practical orientation, and it included site visits to assets administered by the Zberoaia Water Consumers' Association:

- The water source and its installations (situated in the forest on the edge of the village)
- The water towers (in the same vicinity)
- The workshop with tools and spare parts (situated in the village)
- Visit of 1 member of Water Users' Association (to see the water connection well and discuss with the beneficiary).

After the practical part the trainees returned to the training room to discuss what they saw and ask/answer questions. The whole program lasted for 6 hours, starting at 9:30 with registration and ending at 4:30.

While the structure and the bulk of the topics were the same in both training programs, the difference between them was in putting a greater focus on creation and registration part in the training for "beginners" and in replacing this topic in the second day with more information on projects implementation by the Association and efficient cooperation with external stakeholders.

As a whole both one-day training programs were well received and appreciated. All parties involved remained satisfied by the process and results. The extensive participants' feedback / proposals is submitted in a separate document.

**Recommendations:**

- Since there are 12 more requests on behalf of communities to undertake trainings either for beginners or for existing water consumers associations (please see the Memo on CBO training communities updated on October 3, 2005 attached as a separate document to this Report) it is recommended to conduct these training programs on the same site so as to develop the training capacity of Zberoaia Water Consumers Association (although the mayors present at the training suggested that other communities be selected as hosts to see more places and colleagues at work).
- If LGRP chooses to conduct two more similar trainings it is recommended that they be not conducted in two consecutive days, this is too tiring for the trainers and their assistants. Two training programs with an interval of 2-3 days (or even a week) between them will be much better.
- Since LGRP, according to Task #3 of its Mission and Goals, has to “strengthen the capacity of indigenous NGOs and Association(s)”, and pending funds availability, it is recommended to support the interest of water consumers associations for the accounting activity within the association, that is to provide the tariff calculating software to the ones that would request it and to invite the accountants of water consumers associations to a special training.



## COMMUNITIES AND TRAINEES FOR ZBEROIA TRAINING

### ZBEROIA, training for WATER CONSUMERS ASSOCIATIONS

Monday, 26 September 2005, Zberoaia Mayor's Office, 10:00.

#### Trainees-beginners in Water Consumers Associations:

##### BALASESTI, Singerei - *go directly to Zberoaia*

1. Chetlaru Gheorghe, Mayor
2. Bobonovschi Ion, future President of WCA
3. Galben Svetlana Dumitru, future member of WCA

##### ALEXANDRENI, Singerei - *go directly to Zberoaia*

1. Dulgheru Vasile, Mayor
2. Nintus Eduard, future President of WCA
3. Berega Grigore, future member of WCA

##### SARATA-GALBENA, Hincesti - *come to Chisinau*

1. Vlas Stefan, Mayor
2. Covileac Stefan, future member
3. Alergus Elena, future accountant

##### VATICI, Orhei – *go directly to Zberoaia*

1. Petru Dogocher, Mayor and President of a new WCA „Apa Codrilor”
2. Vainer Elena, Accountant, „Apa Codrilor”
3. Paladi Parascovia, Accountant, „Izvoras”

##### GEAMANA, Anenii Noi – *come to Chisinau*

1. Acris Galina, Mayor
2. Cotoras Stanislav, future president
3. Sirbu Rodica, future accountant

##### ERMOCLIA, Stefan Voda – *come to Chisinau*

1. Pavlicenco Alexandru, Mayor
2. Naşcu Alexei, future member of WCA
3. Guţu Mihail, future member of WCA

##### CORJOVA, Criuleni – *go directly to Zberoaia*

1. Gheorghe Ojog, Mayor
2. Crîşmariuc Ecaterina, future member of WCA
3. Minciună Vasile, future member of WCA

**Annex 3**

**COMMUNITIES AND TRAINEES FOR ZBEROIA TRAINING**  
**ZBEROIA, training for WATER CONSUMERS ASSOCIATIONS**  
**Tuesday, 27 September 2005, Zberoaia Mayor's Office, 10:00.**

**Trainees from existing Water Consumers Associations:**

CHISCARENI, Singerei – *go directly to Zberoaia*

1. Turcanu Silvia, Mayor
2. Spanu Nicolae, President of WCA

PEPENI, Singerei – *go directly to Zberoaia*

1. Grosu Serghei, Mayor
2. Popa Ion, President of WCA
3. Popa Maria, Accountant of WCA

CALFA, Anenii-Noi – *go directly to Zberoaia*

1. Ceaglic Ludmila, Mayor
2. Repida Vladimir, President of WCA I
3. Costetchi Vasile, President of WCA II
4. Moraru Liubov, Accountant of WCA I

BOLDURESTI, Nisporeni – *go directly to Zberoaia*

1. Miron Vasile, Mayor
2. Bargan Valeriu, President of WCA
3. Voinovan Nina, Accountant of WCA

CARAHASANI, Stefan-Voda – *come to Chisinau*

1. Cociu Vladislav, Mayor
2. Ursachi Gheorghe, President of WCA
3. Mocanu Petru, Accountant of WCA

TALMAZA, Stefan-Voda – *come to Chisinau*

1. Plesca Vladimir, Mayor
2. Pancenco Vasile, President of the WCA



3. Deliu Eugenia, accountant of the WCA

CISLA, Telenesti - *come to Chisinau*

1. Bors Olga, Mayor
2. Cațîr Grigore, President of the WCA
3. Cațîr Raisa, Accountant of the Water Users Association

On the average, three representatives from each community - 21 trainees per workshop.

## LOCAL GOVERNMENT REFORM PROJECT

### TRAINING PROGRAM

**Water Consumers Associations: principles of activity and problem solving methods.**

*The model of Zberoaia Water Users' Association*

September 26, 2005

Zberoaia, Nisporeni

### AGENDA

9:30 – 10:00	<b>Registration of participants</b>
10:00 – 10:15	<b>Greeting the participants. The goals of the training program</b> <i>Nadejda Darie, Mayor of Zberoaia village</i>
10:15 – 10:45	<b>Public associations and Non-governmental organizations: general aspects</b> <i>Tatiana Saptefrati, lecturer, Academy of Public Administration</i>
10:45 – 11:05	<b>The historical background of Zberoaia Water Consumers Association. Recommendations for setting up and registration of an Association</b> <i>Nadejda Darie, Mayor of Zberoaia village</i>
11:05 – 11:20	<b>Coffee break</b>
11:20 – 11:30	<b>The structure and fields of activity of Zberoaia Water Consumers Association</b> <i>Nadejda Darie, Mayor of Zberoaia village</i>
11:30 – 11:45	<b>The members of the Water Consumers Association</b> <i>Dumitru Axenti, Chairman of the "Izvoras" Water Consumers Association, Zberoaia village</i>
11:50 – 12:20	<b>The achievements of Zberoaia Water Consumers Association. Cooperation with Local public administration</b> <i>Nadejda Darie, Mayor of Zberoaia village</i>
12:20 – 12:30	<b>Lessons learned</b> <i>Dumitru Axenti, Chairman of the "Izvoras" Water Consumers Association, Zberoaia village</i>
12:30 – 13:00	<b>Accounting aspects of the activity of Water Consumers Association</b> <i>Stela Besleaga, Accountant of the "Izvoras" Water Consumers Association, Zberoaia village</i>
13:00 – 14:00	<b>Lunch</b>
14:00 – 14:30	<b>Technical aspects of the activity of Water Consumers Association</b> <i>Dumitru Axenti, Chairman of the "Izvoras" Water Consumers Association, Zberoaia village</i>



<b>14:30 – 15:30</b>	<b>Site visits (spring, water towers, tools' workshop, one beneficiary)</b> <i>Dumitru Axenti, Chairman of the "Izvoras" Water Consumers Association, Zberoaia village</i>
<b>15:30 – 15:45</b>	<b>Coffee break</b>
<b>15:45 – 16:30</b>	<b>Questions &amp; Answers</b>
<b>16:30</b>	<b>Departure of participants</b>

## LOCAL GOVERNMENT REFORM PROJECT

### Training program

**Water Consumers Associations: principles of activity and problem solving methods.**

*The model of Zberoaia Water Users' Association*

September 27, 2005

Zberoaia, Nisporeni

### AGENDA

9:30 – 10:00	<b>Registration of participants</b>
10:00 – 10:15	<b>Greeting the participants. The goals of the training program</b> <i>Nadejda Darie, Mayor of Zberoaia village</i>
10:15 – 10:45	<b>Public associations and Non-governmental organizations: general aspects</b> <i>Tatiana Saptefrati, lecturer, Academy of Public Administration</i>
10:45 – 11:05	<b>The historical background of Water project implementation in Zberoaia with the assistance of Swiss Agency for Development and Cooperation. The creation of the “Izvorasul” Water Consumers Association</b> <i>Nadejda Darie, Mayor of Zberoaia village</i>
11:05 – 11:20	<b>Coffee break</b>
11:20 – 11:30	<b>The structure and fields of activity of Zberoaia Water Consumers Association</b> <i>Nadejda Darie, Mayor of Zberoaia village</i>
11:30 – 11:45	<b>The members of the Water Consumers Association</b> <i>Dumitru Axenti, Chairman of the “Izvoras” Water Consumers Association, Zberoaia village</i>
11:50 – 12:20	<b>The achievements of Zberoaia Water Consumers Association. Cooperation with Local public administration</b> <i>Nadejda Darie, Mayor of Zberoaia village</i>
12:20 – 12:30	<b>Lessons learned</b> <i>Dumitru Axenti, Chairman of the “Izvoras” Water Consumers Association, Zberoaia village</i>
12:30 – 13:00	<b>Accounting aspects of the activity of Water Consumers Association</b> <i>Stela Besleaga, Accountant of the “Izvoras” Water Consumers Association, Zberoaia village</i>
13:00 – 14:00	<b>Lunch</b>
14:00 – 14:30	<b>Technical aspects of the activity of Water Consumers Association</b>



*Dumitru Axenti, Chairman of the “Izvoras” Water Consumers Association, Zberoaia village*

**14:30 – 15:30**

**Site visits (spring, water towers, tools’ workshop, one beneficiary)**

*Dumitru Axenti, Chairman of the “Izvoras” Water Consumers Association, Zberoaia village*

**15:30 – 15:45**

**Coffee break**

**15:45 – 16:30**

**Questions & Answers**

**16:30**

**Departure of participants**

## LOCAL GOVERNMENT REFORM PROJECT

### Training program

#### Water Consumers Associations: principles of activity and problem solving methods. The model of Zberoaia Water Users' Association

#### Zberoaia, Nisporeni

1. Do you consider the creation / effective management of Water Users' Associations necessary and actual?  
YES NO
2. To what degree are you satisfied with the result of the training?
  - a. To a full extent
  - b. To a great extent
  - c. Partially
  - d. Not satisfied
  - e. Others
 Comments \_\_\_\_\_

3. Please rate the importance of each topic discussed during the seminar, using a 10 point system (1- is not important; 10 – is very important)

#	Topic	Points	Comments
1.	Public associations – types and areas of activity, legal aspects of registration and functioning		
2.	The historical background of Zberoaia Water Consumers' Association		
3.	The structure and the principles/fields of activity of Water Consumers' Association		
4.	The members of the Association and how to better work with them		
5.	The achievements of Zberoaia Water Consumers' Association and projects implemented in Zberoaia village		
6.	The partnership with local public administration		
7.	Accounting aspects of the activity of Water Consumers' Association		
8.	Technical aspects of the activity of Water Consumers' Association		

4. Which of the methods used during the seminar were the most appropriate for you?

#	Method	Points	Comments
1.	Narrative		
2.	Discussions/Q&A		
3.	Team work		
4.	Site visits		





5. What training topics, which were not included in this training program, would be interesting and necessary for you?
  - a.
  - b.
  - c.
  
6. What can be done better in the seminar? What needs to be improved in the future?
  - a.
  - b.
  - c.

**THANK YOU!**

09/09/2005

## **Water Users' Associations: principles of activity and problem solving methods.**

### *The model of Zberoaia Water Users' Association*

### **The preliminary training outline for LGRP partners**

This training program is designed to LGRP partners, which are interested in the creation and effective functioning of Water Users' Associations in the communities they represent.

The goal of the training program: to acquaint the LGRP partners with the concept of "Water Users' Association" and principles of activity, including technical and accounting aspects, methods of problem solving, staff management and work with the members.

Duration of the training program: about 6,5 hours.

This program includes both theoretical and practical parts. The participants are given the possibility to visit the objects administered by Zberoaia Water Users' Association, to meet beneficiaries, to exchange opinions and get answers to their questions.

Expected outcomes: practical knowledge in creating and/or effective administration of Water Users' Associations.

The detailed plan of the training program:

The training program consists of 2 modules:

- **Theoretical module** (What does a Water Users' Association mean? The model of Zberoaia Water Users' Association; The management of the Association; Technical and accounting aspects);
- **Practical module** (sight visits; meetings & discussions with beneficiaries).

## **MODULE #1**

### **Theme #1**

The concept of "Water Users' Association". The model of Zberoaia Water Users' Association

- **Public associations and non-governmental organizations – differences and similarities** (*workshop provided by LGRP*)
  - Are there any differences between these 2 forms of associations?
  - Opened and closed associations
  - *What is a Water Users' Association?*
  - Its role, functions and structure.
  
- **The historical background of Zberoaia Water Users' Association** (*please, indicate the name of the speaker*)



- The prerequisites of the creation of the Association: why was it necessary to create such an Association?
- Who came up with the initiative to create an Association?
- Who was in charge of preparing the registration of the Association?
- Which are the legal aspects of the registration of the Association?
- Undertaken steps, necessary documents and instances for the registration (charter, bank account, etc.).
  
- **The structure and fields of activity of Water Users' Association** *(please, indicate the name of the speaker)*
  - The administration of the Association: the Board and its members, the principles of members' election and their terms in office
  - Are there any commissions, which are their role?
  - The role of the chairman in the good operation of the Association
  - *Besides accounting the consumed water and ensuring the sustainability of the water system, which are other priorities/issues falling under the scope of the Association?*
  - When and how has the Association decided to deal namely with these issues?
  
- **The members of the Association** *(please, indicate the name of the speaker)*
  - Who are the members of the Association (individuals or households)?
  - Who and how can become member of the Zberoaia Water Users' Association?
  - How many members did the Association have at the very beginning?
  - Please, show the dynamic of the number of members
  - *Please, explain on what principles is based the relationship between the regular members and the leaders of the Association, and among the ordinary members of the Association*
  - Which are the advantages of being a member of the Association?

50 min

## Theme #2

The principles of activity and the main achievements of Zberoaia Water Users' Association

- **The achievements of Zberoaia Water Users' Association** *(please, indicate the name of the speaker)*
  - Please, describe the achievements of the Water Users' Association: installing of water pipes and the sustainability of the system, metering
  - *What achievement do you consider to be the most significant and why?*
  - Which was the role of regular members in these achievements?
  - *How sustainable are these achievements and how is their sustainability ensured?*
  
- **The work with the members of the Association** *(please, indicate the name of the speaker)*

- *Keeping members informed*, general and extraordinary meetings with the members of the Association
- Signing & observing of contracts
- Quarterly work plans, reports
- *How is the access to the documents of the Association and to the Board members ensured for the regular members?*
- *How do you keep track of the problems the Association's members encounter?*
  
- **The partnership with local public administration** *(please, indicate the name of the speaker)*
  - *What does the partnership between the Association and the local government consist in?*
  - How did this partnership *emerge*?
  - Which joint projects have been implemented?
  - Is there cooperation with other *internal and external stakeholders of the community?* (ex. with "Moldova Apa Canal")
  - Are there any problems related to *cooperation with stakeholders in general?*
  
- **Lessons learned** *(please, indicate the speaker)*
  - If you had the possibility to create the Association now, what would you do differently?
  - Please, describe the problems the Association is facing *now and the methods of their solving*
  - What lessons have you learned from you activity until now?
  - What would you recommend to chairmen of Water Users Associations-beginners?
  - What would you recommend to the Board and regular members of the associations-beginners?

40 min

### Theme #3

Accounting aspects of the activity of Water Users' Association

- Establishment of tariffs. Differential tariffs. Is depreciation considered? How?
- Collection of data and its processing. Issuance / distribution of bills
- *Collection of payments: terms and ways*
- Problems and solutions to them (non-payers, fines for water theft)

7.2     30 min

### Theme #4

Technical aspects of the activity of Water Users' Association

Site visits

- Technical basis (tools' workshop)
- Technical staff: its responsibilities



- Technical problems and solutions to them (electrical transformer, freezing of meters, lack of taps, etc.)
- Visit of 1-2 members of Water Users' Association

2,5 – 3 hours

## **MODULE #2**

**The participants go back to the training room for:**

- Questions & answers
- Exchange of opinions

40 min

## Evaluation of the training program for Water Consumers' Associations in Zberoaia

September 26, 2005

### Beginners

#### 19 participants – 19 questionnaires

1. Do you consider the creation / effective management of Water Users' Associations necessary and actual?  
Answer: YES – 19 participants

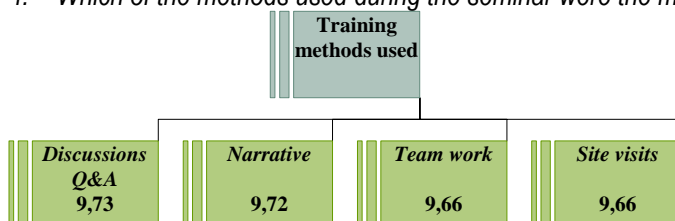
2. To what degree are you satisfied with the result of the training?



3. Please rate the importance of each topic discussed during the seminar, using a 10 point system (1- is not important; 10 – is very important)

#	Topic	Points
1.	Public associations – types and areas of activity, legal aspects of registration and functioning	9,47
2.	The historical background of Zberoaia Water Consumers' Association	9,88
3.	The structure and the principles/fields of activity of Water Consumers' Association	9,47
4.	The members of the Association and how to better work with them	9,42
5.	The achievements of Zberoaia Water Consumers' Association and projects implemented in Zberoaia village	9,63
6.	The partnership with local public administration	9,78
7.	Accounting aspects of the activity of Water Consumers' Association	9,63
8.	Technical aspects of the activity of Water Consumers' Association	9,66

4. Which of the methods used during the seminar were the most appropriate for you?



5. What training topics, which were not included in this training program, would be interesting and necessary for you?

- All topics were covered
- Water system sustainability

6. What can be done better in the seminar? What needs to be improved in the future?



- a. To organize such study visits in other LGRP partner communities
- b. To continue such cycle of training programs
- c. To train the accountants of future Water Consumers' Associations
- d. To pay attention to the time limits
- e. *To raise the tariffs for 1m3 of water in Zberoaia*
- f. *To raise the salaries of Zberoaia Water Consumers' Association staff*

## Evaluation of the training program for Water Consumers' Associations in Zberoaia

September 27, 2005

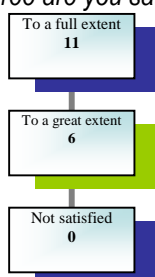
### Existing Water Consumers' Associations

21 participants – 17 questionnaires

1. Do you consider the creation / effective management of Water Users' Associations necessary and actual?

Answer: YES – 17 participants

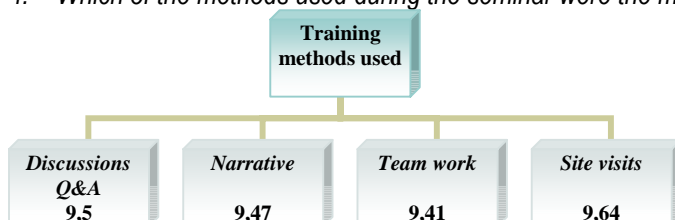
2. To what degree are you satisfied with the result of the training?



3. Please rate the importance of each topic discussed during the seminar, using a 10 point system (1- is not important; 10 – is very important)

#	Topic	Points
1.	Public associations – types and areas of activity, legal aspects of registration and functioning	9,4
2.	The historical background of Zberoaia Water Consumers' Association	9,7
3.	The structure and the principles/fields of activity of Water Consumers' Association	9,7
4.	The members of the Association and how to better work with them	9,8
5.	The achievements of Zberoaia Water Consumers' Association and projects implemented in Zberoaia village	9,47
6.	The partnership with local public administration	9,8
7.	Accounting aspects of the activity of Water Consumers' Association	9,6
8.	Technical aspects of the activity of Water Consumers' Association	9,75

4. Which of the methods used during the seminar were the most appropriate for you?



5. What training topics, which were not included in this training program, would be interesting and necessary for you?

- Fundraising & grant-proposal writing on water utilities
- Accounting aspects
- Leak detection techniques
- Cooperation with Swiss Agency for International Development





- Everything was covered
6. *What can be done better in the seminar? What needs to be improved in the future?*
- a. More such training programs
  - b. More extensive time & more examples
  - c. Discussions with beneficiaries
  - d. Installation (with LGRP support) of an accounting program for Water Users' Association in their communities
  - e. Everything was very well-done

## USAID LOCAL GOVERNMENT REFORM PROJECT (LGRP) – MOLDOVA

### UI Project No. 06901-007-00 (UI)

#### **Statement of Work**

<b>Name:</b>	Dumitru Axenti, President of Zberoaia Water Consumers Association Stela Besleaga, Accountant in Zberoaia Water Consumers Association
<b>Functional Titles:</b>	CCN Municipal Trainer/Consultants
<b>UI Project/RFS/Task No.:</b>	06901-007-00 (UI)
<b>Period of Performance:</b>	September 2005
<b>LOE:</b>	4 days each
<b>Subject:</b>	Training for Water Consumers' Associations

#### **General Description**

The one-day training program on strengthening / developing community based associations (CBOs) prepared by USAID Local Government Reform Project (LGRP) is intended to steer the activities of local CBOs as partners of local government. This training will be for two types of trainees: 1) for the members of the associations that already exist, aimed at strengthening the association and improving its activities and 2) for members of community groups who wish to create such associations. It is intended that such associations will work in partnerships with local governments. The ultimate goal of these training programs is to contribute to increasing the problem-solving capacity of community based associations working in partnership with their respective local governments.

Tasks to be performed will focus on the technical, financial and managerial aspects of the operation of a water consumers association and on the aspects of starting-up and registration of such an association. Consultant will perform the following activities:

1. Design and develop a one-day interactive training workshop under the supervision of LGRP specialists.
2. Conduct training and consultancy in managerial and financial aspects of an efficient operation of water Consumers associations for at least six communities that will express interest in such activities.
3. Conduct training and consultancy on how to start-up and operate a water consumers association for up to six communities that will express interest in such activities.

## Methodology

### Task 1. Training of members of the existing water Consumers associations

The training will be conducted by the above-mentioned CCN consultants-members of the water consumers association from Zberoaia village on site. This program consists of two parts. In the first part the participants will learn about principles of operation of a water consumers association, including technical, managerial and accounting aspects, methods of problem solving, staff management and work with members. In the second part the participants will have the possibility to visit the assets administered by Zberoaia Water Consumers' Association, to meet with beneficiaries, to exchange opinions and get answers to their questions.

### Task 2. Training on how to start-up and efficiently operate a water consumers association for beginners

The training will be conducted by the same CCN consultants from Zberoaia village on site and will consist of a two parts as well. In the first part the LGRP partners will learn of the concept of "water consumers' association" and principles of its operation, including legal, technical and accounting aspects, methods of problem solving, staff management and work with the members. This training will be an adjusted version of the training for existing associations, with a primary focus on the initial stages of starting an association, like mobilizing people, having all legal documents and all the necessary approvals in place. In the second part the participants will be given the possibility to visit the assets administered by Zberoaia Water Consumers' Association, to meet with beneficiaries, to exchange opinions and get answers to their questions.

## Deliverables

1. Detailed training outline, with sessions breakdown, training methods, time allocations, talking points and presenters
2. Agenda of the one-day workshop
3. Trainers' presentations
4. Training report.

## Supervision

Under the general direction of the Chief of Party, the Team Leader for Democracy & Governance Team and the Planning/Monitoring/Organizational Development Specialist will supervise the work of Mr. Axenti and Mrs. Besleaga. Payment arrangements will be processed upon a formal acceptance given by the Democracy and Governance Team Leader and LGRP Planning/Programming/Evaluation Specialist concerning the quality of performed activities and provided work products.

## Level of Effort

	Activity	LOE
1.	Preparing the Training on how to start and operate an water consumers association	1
2.	Conducting the Training on how to start and operate an water consumers association	1
3.	Preparing the Training on efficient operation for existing water consumers associations	1



4.	Conducting Training on efficient operation for existing water consumers associations	1
	<b>TOTAL LOE</b>	<b>4 days each</b>

**Requested by:**

\_\_\_\_\_  
Duane C. Beard, CoP Date

**Approved:**

\_\_\_\_\_  
Corneliu Rusnac, CTO  
USAID/Moldova Date



**USAID Local Government Reform Project**

30 September 2005

**#202, Stefan cel Mare Avenue, Chisinau, MD 2004, Moldova**

**Tel: +373 22 233-000; Fax: +373 22 75-44-33 E-mail: [info@lgrp.md](mailto:info@lgrp.md)**

**TO:** D. Beard, Chief of Party

**FROM:** A. Ciornei, D&G Program Specialist

**CC:** A. Cantemir, D&G Team Leader

**RE:** Report on CBO Training for Dwellers' Associations conducted in Ialoveni

**DATE:** 30 September 05

In Ialoveni a one-day training program was conducted for community groups who wish to create dwellers associations (September 28, 2005).

In total 5 communities interested in how to start up a dwellers association were trained. They all were LGRP partner communities. Three to four people represented each community (please see the list of invitees for details). These people are supposed to become the task force in creating future dwellers associations in the respective communities.

The Mayor of Ialoveni, Mr. Anatol Moldovan, greeted the participants in the opening of the workshop. The turnout of the attendees could be better. Out of 17 invited 14 showed up. One person, representative of Singera, left during the day (the list of invitees is given below, in the annex).

The trainers who conducted this one-day training program were the president of Ialoveni Dwellers Association, Mr. Iurie Slepoy, one member of Ialoveni Dwellers Association board, Mr. Fiodor Osipov and Mrs. Valentina Diacenco, the Ialoveni Dwellers Association accountant. A fourth trainer, only for one topic, was the University lecturer Tatiana Saptefrati from the Academy of Public Administration, who was specially invited to lecture on legal aspects concerning the community based associations activities, and consult on creation and registration issues for the dwellers associations. She stayed through the whole training and answered questions and consulted on several critical concerns and matters when the trainers were not able to provide answers, given their experience.

The host trainers were prepared for the training, they prepared presentations and the room, made arrangements for lunch and one coffee break. In their endeavors to prepare and conduct this training they were assisted by the LGRP employees Valeria Ieseanu, Aurelia Cionei and Veronica Moroi.

Although LGRP program specialists gave proper instructions, the trainers paid less attention to the methods of presentation. Mr. Osipov, for example, who is a pensioner and a former "middle level bureaucrat" read his hand written presentation form papers, although he submitted a typed version of his presentation to the LGRP. His

manner of presentation was of old soviet style, and plus to that he was slightly arrogant. Mr. Slepoy, on the contrary, did not use his written notes; instead he was too laconic for a trainer. For a great part of his presentation he was just giving answers to the questions from the training outline that were meant to ease the full coverage of the topic they had to present. It sounded more like a report on what they did rather than sharing their experience and recommendations for beginners on how to better start a dwellers association and make this process easier.

The Agenda (available in Romanian and Russian) consisted of 2 parts. It was based on the training outline specially developed for this purpose. The first part was more theoretical and it included such topics as:

- Public associations – types and areas of activity, legal aspects of registration and functioning
- The historical background of Ialoveni Dwellers Association
- The structure and the principles/fields of activity of Ialoveni Dwellers Association
- Accounting aspects of the activity of Ialoveni Dwellers Association
- Technical aspects of the activity of Ialoveni Dwellers Association
- The members of the Association and how to better work with them
- The achievements of Ialoveni Dwellers Association
- The partnership with local public administration
- Lessons learned from the experience of dwellers association functioning

These topics were presented by the above-mentioned trainers.

The second part was more of practical orientation, and it included site visits to assets administered by the Ialoveni Dwellers Association:

- The autonomous boiler house
- The accountants workplace
- Visit of 1 member of Ialoveni Dwellers Association (to see his method of heat conservation discuss with the beneficiary).

After the practical part the trainees returned to the training room to discuss what they saw and ask/answer questions. The whole program lasted for 5,5 hours, starting at 9:30 with registration and ending at 4:00 p.m.

While the structure and the presented topics were of interest to the participants in general, now, in retrospective, it has to be said that the training for beginners in dwellers associations had to include a wider range of issues.

For example, the participants were interested in such issues as:

- how to convince the apartment owners to privatize their dwellings;
- how to better manage the situation when in the same block there is a pretty high percentage (close to 40%) of non-privatized apartments, whose owners do not pay for water, heat and electricity;
- how to negotiate with the main service providers like “Termocom” and “Apa Canal” in the case when the members of the association accurately pay for the received services, but because the non-members from the same block do not pay, the above mentioned service providers disconnect the whole building, not only the debtors;
- how to solve the debt issue at the point when the association has to take ownership over the building and its facilities from the state public utility, but it is not capable to pay this debt.



- what would be the best methods and ways of collecting money from members for such works as repairs of stairs and especially repairs of the roof – all of these were of great interest to the members.

Although the participants listened with interest the topics approached in the workshop the impression is that the expectations of participants from this training were higher, and the range of issues they would have liked to be consulted on was larger.

The Ialoveni Dwellers Association experience with the boiler house installation and operation is very good, but it was not enough. Given that this Association does not own yet the buildings themselves, and did not, thus, have any experience in “debt solving issue”, its representatives couldn’t share much in this regard, other than explain why they do not yet own the buildings. By the end of the workshop one of the participants remarked to Slepai that his association is unbalanced, to what Mr. Slepai replied they do not pretend they are perfect.

As a whole the training program went well, except for the above mentioned limited issues coverage. The extensive participants' feedback / proposals is submitted in a separate document.

#### **Recommendations:**

- If LGRP decides to conduct trainings for either beginners or existing dwellers associations it is recommended to conduct these training programs on another site, so as the trainees see in action a successful dwellers association with more functions than the one in Ialoveni. The Ialoveni association can be used to demonstrate the well functioning of one aspect of a dwellers associations activity - autonomous heating. LGRP received requests for training dwellers associations from 9 more communities (please see the Memo on CBO training communities updated on October 3, 2005).
- It would be advisable that LGRP study the experience of an existing successful dwellers association with a larger range of activities that could serve as a training site. They say there is one like this in Anenii Noi.
- If LGRP decides to conduct trainings for dwellers associations-beginners it is recommended that the training outline be modified as to cover typical concerns and issues that such associations face at the beginning of the process, in a separate module. It is worth considering inviting a lawyer with experience in dwelling issues as one of the trainers, so as to at least partially approach the most crucial (and difficult) issues in this training.

## COMMUNITIES TRAINED IN IALOVENI

### **IALOVENI, training for groups willing to create DWELLERS ASSOCIATIONS:**

**Wednesday, 28 September 2005, Ialoveni Mayor's Office, 10:00.**

OLANESTI, Stefan Voda, *come to Chisinau*

1. Plasevici Lidia, teacher
2. Samoilenco Claudia, vice-mayor
3. Chetrari Iurie, builder
4. Bulbuc Andrei, employed

RAZENI, Ialoveni - *go to Ialoveni*

1. Ciotu Tamara, kindergarten manager
2. Codreanu Mark, pensioner
3. Gangan Parascovia, winery employee.

HRUSOVA, Criuleni - *go to Ialoveni*

1. Postolachi Sergiu, medical doctor
2. Ciorba Grigore, entrepreneur
3. Capcanari Nicolaie, administrator M. E.

VADUL LUI VODA, Chisinau - *come to Chisinau (417-275, Lungu Natalia-coordinator)*

1. Jechiu Viorel
2. Leșan Gavril
3. Tcaci Sofia
4. Arap Margareta

SINGERA, Chisinau- *go to Ialoveni*

1. Lungu Tudor
2. Popa Ioana
3. Coban Gheorghe

Three to four representatives from each community –17 trainees per workshop in total.



## LOCAL GOVERNMENT REFORM PROJECT

### TRAINING PROGRAM

**Dwellers' Associations: principles of activity and problem solving methods.**

*The model of Ialoveni Dwellers Association*

September 28, 2005

Ialoveni

### AGENDA

9:45 – 10:00	<b>Registration of participants</b>
10:00 – 10:15	<b>Greeting the participants.</b> <i>Anatol Moldovan, Mayor of Ialoveni town</i>
10:15 – 10:50	<b>Public associations and Non-governmental organizations: general aspects</b> <i>Tatiana Saptefrati, lecturer, Academy of Public Administration</i>
10:50 – 11:15	<b>The historical background of Ialoveni Dwellers Association. Recommendations for setting up and registration</b> <i>Iurie Slepai, Chairman of the Ialoveni Dwellers Association</i>
11:15 – 11:30	<b>Coffee break</b>
11:30 – 12:00	<b>The structure and fields of activity of Ialoveni Dwellers Association. Cooperation with Local public Administration</b> <i>Iurie Slepai, Chairman of the Ialoveni Dwellers Association</i>
12:00 – 12:50	<b>The achievements of Ialoveni Dwellers Association. The members of the Association</b> <i>Fiodor Osipov, member of the Board, Ialoveni Dwellers Association</i>
13:00 – 14:00	<b>Lunch</b>
14:00 – 14:30	<b>Accounting aspects of the activity of Ialoveni Dwellers Association</b> <i>Valentina Diacenco, Accountant of the Ialoveni Dwellers Association</i>
14:30 – 14:50	<b>Technical aspects of the activity of Ialoveni Dwellers Association</b> <i>Iurie Slepai, Chairman of the Ialoveni Dwellers Association</i>
15:00 – 16:00	<b>Site visits (boiler house, accountant's office, one beneficiary)</b> <i>Iurie Slepai, Chairman of the Ialoveni Dwellers Association</i>



*Valentina Diacenco, Accountant of the Ialoveni Dwellers Association*  
*Fiodor Osipov, member of the Board, Ialoveni Dwellers Association*

**15:45 – 16:30**

**Questions & Answers**

**16:30**

**Departure of participants**

## LOCAL GOVERNMENT REFORM PROJECT

### Training program

#### Dwellers' Associations: principles of activity and problem solving methods.

#### *The model of laloveni Dwellers Association*

#### **laloveni**

1. Do you consider the creation / effective management of Dwellers' Associations necessary and actual?

YES

NO

2. To what degree are you satisfied with the result of the training?

- a. To a full extent
- b. To a great extent
- c. Partially
- d. Not satisfied
- e. Others

Comments

---



---

3. Please rate the importance of each topic discussed during the seminar, using a 10 point system (1- is not important; 10 – is very important)

#	Topic	Points	Comments
1.	Public associations – types and areas of activity, legal aspects of registration and functioning		
2.	The historical background of laloveni Dwellers Association		
3.	The structure and the principles/fields of activity of the Association		
4.	The members of the Association and how to better work with them		
5.	The achievements of laloveni Dwellers Association		
6.	The partnership with local public administration		
7.	Accounting aspects of the activity of Dwellers Association		
8.	Technical aspects of the activity of Water Consumers' Association		

4. Which of the methods used during the seminar were the most appropriate for you?



#	Method	Points	Comments
1.	Narrative		
2.	Discussions/Q&A		
4.	Site visits		

5. What training topics, which were not included in this training program, would be interesting and necessary for you?

- a.
- b.
- c.

6. What can be done better in the seminar? What needs to be improved in the future?

- a.
- b.
- c.

THANK YOU!

09/03/2005

## **Dwellers' Associations: principles of activity and problem solving methods.**

### *The model of Ialoveni Dwellers' Association*

### **The preliminary training outline for LGRP partners**

This training program is designed to LGRP partners, which are interested in the creation and effective functioning of Dwellers' Associations in the communities they represent.

The goal of the training program: to acquaint the LGRP partners with the concept of "Dwellers' Association" and principles of activity, including technical and accounting aspects, methods of problem solving, staff management and work with the members.

Duration of the training program: 6,5 hours.

This program includes both theoretical and practical parts. The participants are given the possibility to visit the objects administered by the Dwellers' Association, to meet beneficiaries, to exchange opinions and get answers to their questions.

Expected outcomes: practical knowledge in the creation and effective administration of Dwellers' Associations.

The detailed plan of the training program:

The training program consists of 2 modules:

- **Theoretical module** (What does an Association of Dwellers mean? The model of Ialoveni Dwellers' Association; The management of the Association; Technical and accounting aspects);
- **Practical module** (sight visits; meetings & discussions with beneficiaries).

## **MODULE #1**

### **Theme #1**

The concept of "Dwellers' Association". The model of Ialoveni Dwellers' Association

- **Public associations and non-governmental organizations – differences and similarities, including legal aspects of registration**
  - What does an Association of Dwellers mean?
  - Its role, functions and structure.
  - Legal framework for Dwellers' Association activity (matters of ownership & control)
- **The historical background of Ialoveni Dwellers' Association** (*please, indicate the name of the speaker*)
  - The prerequisites of the creation of the Association: why was it necessary to create such an Association?
  - Who came up with the initiative to create an Association?

- Who was in charge of preparing the registration of the Association?
- Which are the legal aspects of the registration of the Association?
- Undertaken steps, necessary documents and instances.
  
- **The structure and fields of activity of the Association** *(please, indicate the name of the speaker)*
  - The administration of the Association: Board and its members, the principles of members' election and their terms in office, reporting and frequency of meetings
  - Are there any commissions, which is their role?
  - How do the regular members have access to the documents of the Association and its Board?
  - What other problems, except autonomous heating, does the Association solve (e.g. roof, lifts – if any, cellar, stairwells etc.)?
  - Why the Association has decided to deal namely with these issues and when/how they have been selected?
  - Does the Association have the intention to broaden its activity by including new directions of solving dwellers' problems?
  
- **The members of the Association** *(please, indicate the name of the speaker)*
  - Who and how can become member of the Association (are there any fees)?
  - How many members did the Association have at the very beginning?
  - Please, show the dynamic of the number of members
  - Please, explain the relationship between the regular members and the leaders of the Association *as well as the relations among ordinary members*
  - Which are the advantages of being a member of the Association?
  
- **The partnership with local public administration** *(please, indicate the name of the speaker)*
  - What does the partnership between the Association and the local government consist in?
  - How did this partnership emerge?
  - Which joint projects have been implemented?
  - Is there cooperation with other stakeholders of the town?
  - Are there any problems related to cooperation in general?

60 min

## Theme #2

The principles of activity and the main achievements of the Ialoveni Dwellers' Association

- **The main achievements of the Association (autonomous heating, repair of water-pipes, ventilation)**
  - What do you consider an achievement and why?
  - Which was the role of regular members in these achievements?
  - How sustainable are these achievements and how is their sustainability ensured?

- **The work with the members of the Association** (*please, indicate the name of the speaker*)
  - Keeping members informed
  - Signing & observing of contracts
  - Annual (and other) meetings with the members of the Association.
- **Lessons learned (the problems that you face and solutions to them)** (*please, indicate the speaker*)
  - If you had the possibility to create the Association now, what would you do differently?
  - Please, describe the problems the Association is facing now
  - Please, describe the methods of problem solving (please, be more specific when speaking about non-payers)
  - Which other lessons have you learned from your activity until now?
  - What would you recommend to chairmen of Associations-beginners?

50 min

### **Theme #3**

Technical aspects of the activity of Dwellers Association

- Technical basis
- Technical staff (please, explain the principles on contract-based work)
- Technical problems and solutions to them

30 min

### **Theme #4**

Accounting aspects of the activity of Dwellers' Association

- Establishment of tariffs. Registration of consumed gas
- Collection of data and its processing. Issuance / distribution of bills
- The control of revenue from the use of assets
- Dwellers' association staff. Remuneration
- Problems and solutions to them

35 min

## **MODULE #2**

**Site visits** (*please, indicate the name of the person responsible for the organization of site visits and meetings*)

- The visit at the boiler-house. Meeting with technical staff
- Meeting with the accountant at her working place
- Meeting with Board members
- Visit of 1-2 apartments and discussions with beneficiaries

2,5 – 3 hours

**The participants go back to the training room for:**

- Discussions
- Questions & answers
- Exchange of opinions

Board members, the accountant and technical staff should attend this session for participation in discussions and answering the questions.

40 min



## Evaluation of the training program for Dwellers' Associations in Ialoveni

September 28, 2005

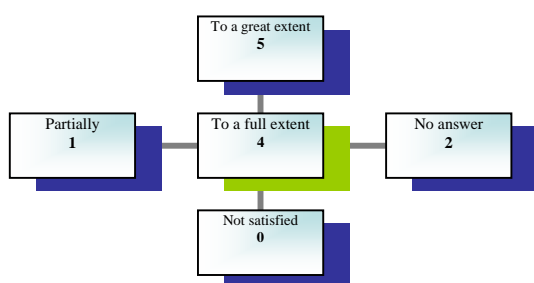
### Beginners

#### 14 participants – 13 questionnaires

1. Do you consider the creation / effective management of Dwellers' Associations necessary and actual?

Answer: YES – 13 participants

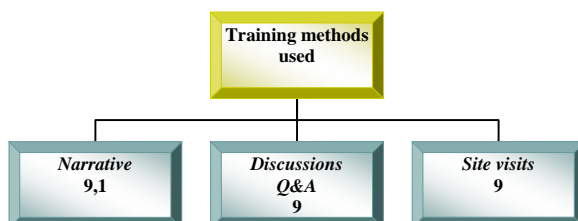
2. To what degree are you satisfied with the result of the training?



3. Please rate the importance of each topic discussed during the seminar, using a 10 point system (1- is not important; 10 – is very important)

#	Topic	Points
1.	Public associations – types and areas of activity, legal aspects of registration and functioning	8,83
2.	The historical background of Ialoveni Dwellers' Association	9,66
3.	The structure and the principles/fields of activity of Dwellers' Association	8,9
4.	The members of the Association and how to better work with them	8,66
5.	The achievements of Ialoveni Dwellers' Association	8,58
6.	The partnership with local public administration	8,66
7.	Accounting aspects of the activity of Dwellers' Association	9,08
8.	Technical aspects of the activity of Dwellers' Association	8,58

4. Which of the methods used during the seminar were the most appropriate for you?



5. *What training topics, which were not included in this training program, would be interesting and necessary for you?*
- Fundraising & grant-proposal writing from Dwellers' Associations
  - Relations with state institutions
6. *What can be done better in the seminar? What needs to be improved in the future?*
- a. More practical seminars
  - b. Organize training programs for the Presidents of Dwellers' Association (topics: accounting aspects, staff management, psychological aspects)
  - c. More methodological materials
  - d. More meetings in other LGRP partner communities

## USAID LOCAL GOVERNMENT REFORM PROJECT (LGRP) - MOLDOVA

### UI Project No. 06901-007-00 (UI)

#### Statement of Work

---

<b>Name:</b>	Iurii Slepov, President of Ialoveni Dwellers Association Fiodor Osipov, Member of Ialoveni Dwellers Association Board
<b>Functional Titles:</b>	CCN Municipal Consultant/Trainers
<b>UI Project/RFS/Task No.:</b>	06901-007-00 (UI)
<b>Period of Performance:</b>	September 2005
<b>LOE:</b>	4 days each
<b>Subject:</b>	Training for Dwellers Associations

---

#### **General Description**

The one-day training program on strengthening / developing community based associations (CBOs) prepared by USAID Local Government Reform Project (LGRP) is intended to steer the activities of local CBOs as partners of local government. This training will be for two types of trainees: 1) for the members of the associations that already exist, aimed at strengthening the association and improving its activities and 2) for members of community groups who wish to create such associations. It is intended that such associations will work in partnerships with local governments. The ultimate goal of these training programs is to contribute to increasing the problem solving capacity of community based associations working in partnership with their respective local governments.

Tasks to be performed will focus on the technical, financial and managerial aspects of the operation of a water users association and on the aspects of starting-up and registration of such an association.

Consultant will perform the following activities:

1. Design and develop a one-day interactive training workshop under the supervision of LGRP specialists.
2. Conduct training and consultancy in managerial and financial aspects of an efficient operation of a dwellers association for up to six communities that will express interest in such activities.
3. Conduct training and consultancy on how to start-up and operate a Dwellers Association for up to six communities that will express interest in such activities.

## **Methodology**

### **Task 1. Training of members of the existing dwellers associations**

The above-mentioned CCN consultants-members of the Ialoveni Dwellers Association will conduct the training on site. This program consists of two parts. In the first part the participants will learn about principles of operation of a dwellers association, including technical, managerial and accounting aspects, methods of problem solving, staff management and work with the members. In the second part the participants will be given the possibility to visit the assets administered by Ialoveni Dwellers Association, to meet with beneficiaries, to exchange opinions and get answers to their questions.

### **Task 2. Training on how to start-up and efficiently operate a dwellers association for beginners**

The training will be conducted by the same members of the dwellers association from Ialoveni on site and will consist of two parts as well. In the first part the LGRP partners will learn of the concept of “dwellers association” and principles of its operation, including legal, technical and accounting aspects, areas of activity, methods of problem solving, staff management and work with the members. This training will be an adjusted version of the training for existing associations, with a primary focus on the initial stages of starting an association, like mobilizing people, having all legal documents and all the necessary approvals in place. In the second part the participants will be given the possibility to visit the assets administered by Ialoveni Dwellers Association, to meet with beneficiaries, to exchange opinions and get answers to their questions.

## **Deliverables**

1. Detailed training outline, with sessions breakdown, training methods, time allocations, talking points and presenters
2. Agenda of the one-day workshop
3. Trainers' presentations
4. Training report.

## **Supervision**

Under the general direction of the Chief of Party, the Team Leader for Democracy & Governance Team and the Planning/Monitoring/Organizational Development Specialist will supervise the work of Mr. Slepov and Mr. Osipov. Payment arrangements will be processed upon a formal acceptance given by the Democracy and Governance Team Leader and LGRP Planning/Programming/Evaluation Specialist concerning the quality of performed activities and provided work products.



**Level of Effort**

	<b>Activity</b>	<b>LOE</b>
1.	Preparing the Training on how to start and operate a dwellers association	1
2.	Conducting the Training on how to start and operate a dwellers association	1
3.	Preparing the Training on efficient operation for existing dwellers associations	1
4.	Conducting Training on efficient operation for existing dwellers associations	1
	<b>TOTAL LOE</b>	<b>4 days each</b>

**Requested by:**

\_\_\_\_\_  
Duane C. Beard, CoP

\_\_\_\_\_  
Date

**Approved:**

\_\_\_\_\_  
Corneliu Rusnac, CTO  
USAID/Moldova

\_\_\_\_\_  
Date



**USAID Local Government Reform Project**

30 September 2005

**#202, Stefan cel Mare Avenue, Chisinau, MD 2004, Moldova**

**Tel: +373 22 233-000; Fax: +373 22 75-44-33 E-mail: [info@lgrp.md](mailto:info@lgrp.md)**

**TO:** D. Beard, Chief of Party

**FROM:** A. Ciornei, D&G Program Specialist

**CC:** A. Cantemir, D&G Team Leader

**RE:** Communities that expressed interest in CBO Training and the ones that were included in the first round of Trainings for Water Consumers Associations and Dwellers Associations

**DATE:** 30 September 05

This to inform you that, as of today, September 30, 2005, LGRP received 37 responses to the 89 questionnaires sent to LGRP partners (please see Annex 1). The questionnaire inquired which of communities are interested in undertaking a one-day training program on strengthening / developing community based associations, and namely Water Consumers and Dwellers Associations. The questionnaire also indicated that this training is intended for two types of trainees:

- 1) for the members of existing associations, aimed at strengthening the association and improving its activities; and
- 2) for community groups who wish to create such associations. It also inquired which type of training they would like to undertake. The deadline for responses was September 12, 2005.

Out of 37 responses 22 responses came in time and 15 responses – after the deadline.

Among these 37 communities only a few expressed a clear interest in only one type of training of the four possible types announced. The majority displayed interest for a couple or even three of them as showed below:

1. Communities interested only in training for existing Water Users Associations:  
*Bolduresti\*, Talmaz, Carahasani, Chiscareni, Cislă, Dubasarii Vechi (late), Cristesti (late), Pascani (late)*
2. Communities interested only in training for groups who wish to create Water Users Associations:  
*Geamana, Balasesti, Alexandreni, Ermoclia (late), Dobrusa, Tvardita (late), Sireti (late), Marinici (late), Rosietici (late)*
3. Communities interested in training for both existing Water Users Associations and groups who wish to create Water Users Associations

*Pepeni, Calfa, Vatici, Sarata Galbena, Rosu (late), Selemet (late)*

4. Communities interested only in training for existing Dwellers Associations:  
*Balti, Briceni, Singerei, Ungheni*
5. Communities interested in training for both existing Dwellers Associations and groups who wish to create Dwellers Associations:  
*Ialoveni, Anenii Noi, Hincesti*
6. Communities interested in training for groups who wish to create Water Users Associations and for groups who wish to create Dwellers Associations:  
*Olanesti, Hrusova, Razeni, Vulcanesti (late)*
7. Communities interested in training for existing Dwellers Associations, for groups who wish to create Water Users Associations and for groups who wish to create Dwellers Associations  
*Vadul lui Voda, Singera (late)*

One community, *Telenesti (late)*, was interested in training for existing water Users and Dwellers Associations.

Based on this range of preferences first, on telephone discussions with mayors about their priorities when they expressed more than one preference second, and on timeliness of questionnaire submission three groups of trainees were selected to be recommended for training on two sites: Zberoaia and Ialoveni. Two groups of trainees formed of 7 communities each were trained in Zberoaia on the 26 and the 27<sup>th</sup> of September (one training was for existing Water Consumers Associations representatives and another was for beginners, people who intend to create such). Another group, including representatives of 5 communities, was trained in Ialoveni on how to start-up a Dwellers Association (on September 28, 2005). Please see Annexes 2, 3 and 4 for the lists with communities and their representatives included in training.

The dates for trainings were selected together with host trainers-consultants to fit most their schedules and to not to conflict with LGRP schedule of events.

*\* The training programs conducted in the period 26-28 September in Zberoaia and Ialoveni included the communities in Italic from this Memo, plus Corjevo community, which is not an LGRP partner.*

**Annex 1**

**LGRP Training Programs for CBOs (Water Consumers and Dwellers Associations)**

**September 2005**

**List of 31 communities that responded to the CBO training questionnaire:**

1. *Alexandreni, Singerei\**
2. *Anenii Noi*
3. *Balasesti, Singerei*
4. *Balti*
5. *Bolduresti, Nisporeni*
6. *Briceni*
7. *Calarasi*
8. *Calfa, Anenii Noi*
9. *Carahasani, Stefan Voda*
10. *Chiscareni, Singerei*
11. *Cisla, Telenesti*
12. *Comrat*
13. *Cristesti, Nisporeni*
14. *Dobrusa, Soldanesti*
15. *Dubasarii Vechi, Criuleni*
16. *Ermoclia, Stefan Voda*
17. *Geamăna, Anenii Noi*
18. *Hincesti*
19. *Hrusova, Criuleni*
20. *Ialoveni*
21. *Marinici, Nisporeni*
22. *Olanesti, Stefan Voda*
23. *Pascani, Hincesti*
24. *Pepeni, Singerei*
25. *Razeni, Ialoveni*
26. *Roșietici, Florești*
27. *Rosu, Cahul*
28. *Sarata-Galbena, Hincesti*
29. *Selemet, Cimislia*
30. *Singera, Chisinau*
31. *Singerei*
32. *Sireti, Straseni*
33. *Talmaza, Stefan Voda*
34. *Telenesti*
35. *Tvardita, Taraclia*
36. *Ungheni*
37. *Vadul lui Voda, Chisinau*
38. *Vatici, Orhei*
39. *Vulcanesti*

These responses were received until and on October 3, 2005





*\*The communities in Italics were trained in September 2005.*



Black LGRP Old Partners  
Red Newly selected partners

**ANNEX C**  
**MUNICIPAL SERVICES/DEMONSTRATION PROJECTS**

1. Report on the 3<sup>rd</sup> National Symposium “Development and Efficient Water and Wastewater Systems Operations”
2. Report on the Efficient Water Supply Operations Training Program Based on MEWSO
3. Comrat Water Utility Action Plan
4. Report on Training Program for Demonstration Projects’ Application Process (Project Design and Management)

## **REPORT ON THE THIRD NATIONAL SYMPOSIUM “DEVELOPMENT AND EFFICIENT WATER AND WASTEWATER SYSTEMS OPERATIONS”**

On 29 - 30 of September 2005, the Third National Symposium of Water Utilities *Development and Efficient Water and Wastewater Systems Operations* took place in Cahul, Moldova.

This important event, targeted for specialists and organizations in Moldova who are active in the field of water and wastewater operations.

This major training/technical assistance event was organized and financially supported by LGRP, in collaboration with Moldova Apa-Canal Association and Cahul Water Utility. The event included 187 participants, including mayors, local elected councilors, managers and chief accountants from Moldovan Water Utilities as well as a delegation from the National Water Utility Association of Romania – “ARA”. First day of the Symposium was combined with Quarterly Mayors` Meeting - Mayors of LGRP Partner Communities.

An organizational committee was created among the USAID Local Government Reform Project, the Moldova Apa-Canal Association, a municipal association representing the interests of water utilities across the country, Technical University of Moldova, Cahul local government and Cahul Water Utility.

The first day of the Symposium focused on the Current Situation and Perspective of Water Supply in Moldova. First Valeriu Cojocaru, Chief of Municipal Services Department, Agency of Territorial Development described the situation of water supply in general. Gheorghe Lica, Manager of Hincesti Water Utility presented case study of Hincesti Town in main sewerage pump station reconstruction in the wastewater system. Afterwards, Felix Stroe, Vice President of the Romanian Water Association, General Manager of RAJA (Regional Water Utility) Constanta, took the effort to explain in details the most important activities aimed to the managerial performance of regional water utilities operators with emphasis of R.A.J.A. Constanta. Dr. Dumitru Ungureanu, introduced the participants to the concept of compact installations for wastewater treatment plant and general considerations about elimination of nutrients from the biological treated waste water. In the afternoon session, Vasile Bagrin, Manager of Falesti Water Utility made a presentation on leak detection and pipe location equipment with practical application for Moldovan water utilities. Next to panel presentation was Dr. Sergiu Calos, from Technical University of Moldova with a presentation on unregistered water losses. Pavel Panus, consultant at Apa-Canal Orhei described the principles of sustainability in the municipal water utilities. Also in the afternoon session participants were proposed to work in three discussion groups: Water Production; Financial Operations; Quarterly Mayors Meeting.

The second day, like it was designed, turned into a practical day with useful visits like visits to the newly re-constructed water & wastewater system in nearby Braila, Romania and discussions on legislative changes in tax legislation and means of debt restructuring in the municipal utilities.

Overall, the National Symposium was extremely successful.

## LIST OF PARTICIPANTS, SYMPOSIUM

Nr.	Community	Name	Position
1.	Anenii Noi	Cheibas Mihail	Mayor
		Croitor Marari	Local councilor
		Iorgaciov Dumitru	Manager
		Puscas Elena	Accountant
2.	Balti	Victor Reutchi	Deputy Manager
3.	Basarabeasca	Kaici Mihail	Deputy Mayor
		Zagorodnii Iurie	Local councilor
		Donici Tatiana	Manager
		Veadutenco Maria	Accountant
4.	Briceni	Alexei Gherman	Mayor
		Eremenciuc Nicolai	Manager
5.	Cahul	Zagorodnii Gheorghe	Mayor
		Ghetivu Gheorghe	Deputy Mayor
		Fana Ion	Local councilor
		Zagaevschi Vasile	Manager
		Rosca Maria	Accountant
6.	Cantermir	Danalache Angela	Mayor
		Bacalov Alexei	Deputy Mayor
		Tichim Anton	Manager
7.	Ceadir Lunga	Formuzal Mihail	Mayor
		Valerii Cravcenco	Local councilor
		Petru Civrijic	Manager
		Ana Chiosea	Accountant
8.	Causeni	Victor Doaga	Manager
9.	Chisinau	Becciev Constantin	Manager
		Junea Ion	Technical Manager
		Oleg Ciornei	Local councilor
		Cecan Raisa	Chief Engineer
10.	Cimisia	Ion Alexandreanu	Mayor
		Raileanu Natalia	Local councilor
		Dem Vladimir	Manager
		Matei Leonid	Accountant
11.	Comrat	Volcov Victor	Deputy Mayor
		Serghei Cilcic	Manager
		Gheorghe Capsamun	Local councilor
		Hristofor Ibrisin	Accountant
12.	Cojusna	Bandac Nichifor	Deputy Mayor
		Ion Turcanu	Manager
		Constantin Dvorniciuc	Accountant
13.	Cricova	Ion Coropcean	Manager
		Nina Timbaliuc	Accountant
14.	Donduseni	Costenic Ivan	Deputy Mayor
		Valentina Rusu	Manager

		Botnari Valentina	Accountant
		Jitari Oleg	Engineer
15.	Falesti	Sacara Liubomir	Deputy Mayor
		Talmaci Nicolae	Local councilor
		Bagrin Vasile	Manager
		Claudia Lisii	Accountant
16.	Floresti	Iurie Tap	Mayor
		Sergiu Rusu	Manager
		Neonila Railean	Accountant
17.	Glodeni	Iurie Evteev	Mayor
		Ursachi Mihail	Local councilor
		Mocanu Dumitru	Manager
18.	Hincesti	Alexandru Botnari	Mayor
		Ceglei Vladimir	Local councilor
		Gheorghe Lica	Manager
		Lazari Pavel	Executive Director
19.	Leova	Condrea Ilie	Mayor
		Belicev Valentin	Local councilor
		Antoni Victor	Manager
		Carcea Raisa	Accountant
20.	Nisporeni	Ulinici Tudor	Deputy Mayor
		Hincu Grigore	Local councilor
		Ulinici Constantin	Manager
		Arseni Grigore	Accountant
21.	Orhei	Ion Sarban	Mayor
		Mihai Chiperi	Manager
		Ludmila Tricolici	Accountant
22.	Singerei	Birlibov Mihai	Local councilor
23.	Soroca	Serghei Nastas	Deputy Mayor
		Eugen Crudu	Manager
24.	Straseni	Vladimir Botnari	Mayor
		Gutan Gheorghe	Local councilor
		Constantin Costov	Manager
25.	Stauceni	Ion Dragomir	Manager
		Colomiet Nelea	Accountant
26.	Stefan Voda	Gheorghe Anghel	Mayor
		Leonid Sofroniuc	Local councilor
		Danila Nicolae	Manager
		Zagaiciuc Valentina	Accountant
27.	Soldanesti	Vladislav Nani	Manager
		Veronica Grigore	Accountant
28.	Taraclia	Serghei Filipov	Deputy Mayor
		Popozoglo Afanasii	Local councilor
		Popov Serghei	Manager
		Burlacova Elena	Accountant
29.	Telenesti	Zglavuta Valeriu	Deputy Mayor
		Carp Grigorii	Manager
		Tolic Efim	Accountant
30.	Ungheni	Ceban Victor	Manager



		Adela Curteva	Accountant
31.	Vulcanesti (2)	Ivan Bogoev	Deputy Mayor
		Vasile Silcu	Local councilor
		Berbec Gheorghe	Manager
		Arnaut Larisa	Accountant
		Todorov Dumitru	Manager
32.	Alexandreni	Bandac Nichifor	Deputy Mayor
33.	Antonesti	Anatolie Sirbu	Mayor
34.	Balauresti	Gheorghe Batrinu	Mayor
35.	Badiceni	Valeriu Tinerele	Mayor
36.	Balasesti	Gheorghe Chetragu	Mayor
37.	Biliceni Vechi	Alexei Cozma	Mayor
38.	Biruința	Anatolie Prodan	Mayor
39.	Bolduresti	Vasile Miron	Mayor
40.	Bubuieci	Ion Saranuț	Mayor
41.	Calfa	Ludmila Ceaglic	Mayor
42.	Carahasani	Vladislav Cociu	Mayor
43.	Casunca	Eleonora Ciupac	Mayor
44.	Cazaclia	Petru Uzun	Mayor
45.	Chiscareni	Silvia Turcanu	Mayor
46.	Cisla	Olga Bors	Mayor
47.	Ciuciulea	Veaceslav Barat	Mayor
48.	Colibasi	Maria Stirbu	Mayor
49.	Congaz	Uzun Ivan	Mayor
50.	Cristesti	Alexei Secieru	Mayor
51.	Dobrusa	Victor Grosu	Mayor
52.	Dubasarii Vechi	Aurel Antoci	Mayor
53.	Ermoclia	Alexandru Pavlicenco	Mayor
54.	Geamana	Galina Acris	Mayor
55.	Hrusova	Simion Cotovici	Mayor
56.	Ialoveni	Secieru Nicoale	Deputy Mayor
57.	Magdacesti	Tudor Spinu	Mayor
58.	Marinici	Ion Croitoru	Mayor
59.	Neculaieuca	Claudia Bejenaru	Mayor
60.	Ocnita	Galina Zalevscaia	Mayor
61.	Olanesti	Samoilenco Claudia	Mayor
62.	Otaci	Ion Scripcaru	Mayor
63.	Pascani	Cosntantin Curnic	Mayor
64.	Pelinia	Gheorghe Bagrin	Mayor
65.	Pepeni	Serghei Grosu	Mayor
66.	Peresecina	Petrachi Alexandru	Deputy Mayor
67.	Pohrebeni	Veaceslav Strisca	Mayor
68.	Razeni	Ion Luchian	Mayor
69.	Rezina	Ruslan Solcol	Mayor
70.	Rosietici	Iulian Rotaru	Mayor
71.	Sarata Galbena	Stefan Vlas	Mayor
72.	Selemet	Tatiana Badan	Mayor
73.	Singera	Ghenadie Iurco	Mayor
74.	Siret	Vasile Cartira	Mayor

75.	Slobozia Mare	Rodion Placinta	Mayor
76.	Talmază	Vladimir Plesca	Mayor
77.	Tvardita	Maria Pascova	Deputy Mayor
78.	Vadul lui Voda	Iurii Onofriiciuc	Mayor
79.	Vatici	Petru Dogocher	Mayor
80.	Viisoara	Gheorghe Burlac	Mayor
81.	Zberoaia	Nadejda Darie	Mayor
82.	Zorile	Victor Rusnac	Mayor
83.	Iprocom	Cotruta Vasiliu	Manager
84.	Soroca Acva Nord	Duca Ion	Manager
85.	Laura	Hudeacov Alexandr	Manager
86.	Alura	Cravcenco Iulia	Manager
87.	Romania	Felix Stroe	Manager R.A.J.A. Constanta
88.	Romania	Sorin Zaharcu	Manager Aquaserv Tulcea
89.	Technical University of Moldova	Dumitru Ungureanu	
90.	Technical University of Moldova	Sergiu Calos	
91.	Technical University of Moldova	Natalia Ciobanu	
92.	Technical University of Moldova	Lilian Balmus	
93.	Orhei	Pavel Panus	Consultant
94.	Moldova Apa Canal Association	Iurie Nistor	Executive Director
95.	Moldova Apa Canal Association	Panuli Nicolai	
96.	Moldova Apa Canal Association	Stirban Mihail	
97.	Moldova Apa Canal Association	Bilinschii Valentin	
98.	Moldova Apa Canal Association	Fedorțov Mihai	
99.	Moldova Apa Canal Association	Cuțurubenco Zinaida	
100.	Moldova Apa Canal Association	Timofeeva Svetlana	
101.	LGRP	Duane Beard	
102.	LGRP	Cristian Murariu	
103.	LGRP	Maria Salabuga	
104.	LGRP	Eugen Hristev	
105.	LGRP	Alexandru Pelivan	
106.	LGRP	Eugenia Busmachiu	
107.	LGRP	Tatiana Voloh	
108.	LGRP	Leonid Meleca	
109.	LGRP	Vladimir Paraschiv	
110.	LGRP	Igor Catruc	
111.	LGRP	Eugen Cheptene	



## **REPORT ON THE EFFICIENT WATER SUPPLY OPERATIONS TRAINING PROGRAM BASED ON THE MANUAL FOR EFFICIENT WATER SUPPLY OPERATIONS SMALL SYSTEMS (MEWSO-SS)**

In 2005, LGRP conducted a series of comprehensive training programs centered on the Manual for Efficient Water Supply Operations Small Systems (MEWSO-SS) in order to address Moldovan water consumers' associations' problems.

LGRP realized the importance of providing potable water not only in the large communities, but also communities that have small water systems and initiated an effort to develop a comprehensive training program centered on a manual in the area of efficient water supply operations to address the problems faced by local government water utilities in Moldova.

The purpose of the training seminars was to improve the capacity of small water consumers associations in order to increase the efficiency of technical, financial and management departments of the utility using modern techniques of management and elaboration of an Action Plan.

The trainings were considered successful. During the year, four (4) consequent training seminars were conducted for sixty-seven (67) participants (including mayors, chairpeople, accountants, and engineers) from twenty-seven (27) small water consumers' associations/municipalities.

As a results of trainings delivered by Local Government Reform Project, based on the Manual for Efficient Water Supply Operations - Small Systems (MEWSO-SS) and Manual for Efficient Water Supply Operations (MEWSO) six water utilities/small water consumers associations (Ungheni, Balauresti, Comrat, Rosietici, Floresti, Cristesti) developed water utility action plans.

The Municipal Services Team directly assisted LGRP partners with preparing and developing Action Plans for improvement of water utilities operations.

All Action Plans were officially approved by local councils of these communities. The Action Plan determines the anticipated required investments and proposes implementation schedules. The implementation of the Action Plans turns into priority for communities that compete for demonstration project assistance in the area of water system improvements.

## TRAINING DESIGN

### TRAINING PROGRAM FOR LGRP PARTNER COMMUNITIES IN EFFICIENT WATER SUPPLY OPERATIONS FOR SMALL SYSTEMS (MEWSO - SS)

This training course is designed for LGRP partners who want to get additional knowledge and improve abilities in the efficient management of water supply operations for small systems and in developing up action plans to provide sustainable potable water systems in these communities.

*Goal of the training:* to introduce water utility managers from water utilities from different communities to the concept of Action Plan and Management, Technical and Financial Audits and to have participants develop practical skills in developing action plans for efficient water supply operations in their communities.

The training course is designed for 1,5 days. The training program has both theoretical and practical aspects. Throughout the training participants are involved in group discussions and practical exercises based on financial reports, management and technical information from their Associations and using trainers' examples. The participants have the possibility to work both in dyads and in small groups with their colleagues grouped by their organizations.

#### *Expected outcomes of the training.*

Participants are expected to acquire skills that would enable them to:

- Draw up an Action plan with its subsequent submission within 1 month;
- Increase the operational efficiency of their utility through effective management of material, human and financial resources.

#### *Detailed design*

The training program consists of three Modules: Management Audit, Financial Audit, and Technical Audit.

The Trainer opens the training by setting up the objectives:

- to develop evaluation skills for evaluating the operations of Water Consumers' Associations;
- to get acquainted with ways of improvement of small water systems of Moldova;
- to determine the role of Management, Financial and Technical Audits to improve small water systems' operations;
- to develop skills in conducting Management, Financial and Technical Audits;
- to draw up a preliminary Action plan design using data from the Water Consumers' Associations.

#### **Management audit**

This module is designed for all participants. The trainer should remind that the goal of the seminar is to develop an Action plan, which consists of several stages.

In order to have participants focus on the importance of Action plans, they are invited to take part in a discussion about general issues which their organizations face day by day. The participants will be asked to identify measures taken to solve these issues. The trainer suggests that this type of issues and measures should be included in their future Action Plans.



By the end of this module, the participants should be able to draw up a realistic plan aimed at developing the 'management' component to improve the situation at their utilities/water consumers' associations/NGOs, etc.

In order to achieve this objective, the trainer will use several practical examples of potential problems and will provide possible solutions to these problems, thus encouraging the participants to use examples known to them from their activity.

The trainer will use the prepared in advance slides when explaining the management component within this Module. The participants will need to understand the concept of an 'efficient management' and which are the difficulties related to it.

### **Technical audit**

This module is designed to technical staff of water utilities. By the end of this module the participants will be able to draft a realistic plan for 'technical' improvements of the small water system they manage in their communities. In order to achieve this objective, there will be used practical examples based on data submitted by participants and data collected on on-site visits made in these communities. The trainer will use a great variety of practical examples of problems and solutions to these problems thus encouraging the participants to use examples from their own activity.

The trainer will use handouts, the MEWSO-SS guide, slides, tables and drawings thus helping the participants to understand the 'technical' part of water systems.

### **Financial/accounting audit**

This module is designed for participants who work in the financial field of water utilities. The module includes: financial analysis, financial forecasting, management accounting and financial measures.

By the end of this module the participants will be able to develop a realistic plan for the improvement of financial/accounting management of the organization.

### **Evaluation:**

The evaluation is one of the most important parts of the training program. The participants should be led to this point gradually throughout the entire training. From the very beginning, the participants should be informed that they are to draft an audit plan and develop a mini Action plan by the end of the training program. Each group formed of specialist in management, accounting, technical issues should elaborate a draft of an Action plan based on the model presented by the trainers as well as using data from reports on economical situation of the organization they represent.

The goal of the evaluation is to encourage the participants to apply practical abilities and knowledge gained during the program. This is a very good occasion for the trainer to evaluate the training program, to identify its weak/strong points as well as to evaluate participants' abilities to act after taking a 1.5-day training course.

After the presentations the trainers open the floor for Q&A.



## EFFICIENT WATER SUPPLY OPERATIONS FOR SMALL SYSTEMS

March 2-3, 2005  
Chisinau, Moldova

Kentford building  
202 Stefan cel Mare ave. , 9 floor  
Tel: (373 22) 233 000 / Fax (373 22) 754 433

A training organized by:

- **USAID Local Government Reform Project**

Wednesday March 2, 2005

09.30 – 10.00	Registration
10.00 – 10.15	Opening Words. The purpose of the training <ul style="list-style-type: none"><li>• <i>Duane C. Beard</i>, Chief of Party, USAID Local Government Reform Project</li></ul>
10.15 – 10.30	Introducing the trainers. Distribution of the handouts. Introducing the participants <ul style="list-style-type: none"><li>• <i>Eugenia Busmachi</i>, Program Specialist, USAID Local Government Reform Project</li></ul>
10.30 – 10.45	Preparation of the Action Plan for municipal water utilities <ul style="list-style-type: none"><li>• <i>Eugenia Busmachi</i>, Program Specialist, USAID Local Government Reform Project</li></ul>
10.45 – 11.00	Coffee Break
11.00 – 11.15	Introduction to Management Audit <ul style="list-style-type: none"><li>• <i>Eugenia Busmachi</i>, Program Specialist, USAID Local Government Reform Project</li></ul>
11.15 – 11.30	The Management Audit Plan, Preparation of Data and Information Request (DIR). Commercial activity description <ul style="list-style-type: none"><li>• <i>Eugenia Busmachi</i>, Program Specialist, USAID Local Government Reform Project</li></ul>
11.30 – 11.50	Human resources, training, public relations <ul style="list-style-type: none"><li>• <i>Eugenia Busmachi</i>, Program Specialist, USAID Local Government Reform Project</li></ul>
11.50 – 12.10	Emergency Planning <ul style="list-style-type: none"><li>• <i>Sergiu Calos</i>, technical consultant</li></ul>
12.10 – 12.30	Performance Benchmarking <ul style="list-style-type: none"><li>• <i>Georgeta Melnic</i>, financial consultant</li></ul>
12.30 – 13.00	Tariff Policy and Tariffs <ul style="list-style-type: none"><li>• <i>Sergiu Calos</i>, technical consultant</li><li>• <i>Georgeta Melnic</i>, financial consultant</li></ul>
13.00 – 14.00	Lunch
14.00 – 15.00	Working Group Sessions

15.00 – 15.15	Coffee Break
15.00 – 17.00	Working Group Sessions:
	Group A. Technical Audit
	Chair and Reporter: <i>Sergiu Calos</i> , technical consultant
	- <i>Conducting the Technical Audit</i>
	- <i>Operation and Maintenance</i>
	- <i>System Statistics and Parameters</i>
	- <i>Pumps operating</i>
	- Operation of Distribution System
	Group B. Financial Audit
	Chair and Reporter: <i>Georgeta Melnic</i> , financial consultant
	- Financial Audit and Preparation of Data and Information Request (DIR)
	- Evaluating Financial Performance (study case)
Thursday March 3, 2005	
09.30 – 11.00	Group A. Technical Audit
	Chair and Reporter: <i>Sergiu Calos</i> , technical consultant
	- Operation of Distribution System
	Group B. Financial Audit
	Chair and Reporter: <i>Georgeta Melnic</i> , financial consultant
	- Financial forecast
	- Study case 1
	- Study case 2
11.00 – 11.15	Coffee Break
11.15 – 11.40	Group A. Technical Audit
	Chair and Reporter: <i>Sergiu Calos</i> , technical consultant
	- Metering device
	- Performing the indicators
	- Questions and answers
	Group B. Financial Audit
	Chair and Reporter: <i>Georgeta Melnic</i> , financial consultant
	- <i>Current situation</i>
	- Questions and answers
11.40 – 11.50	Investment Needs Assessment
	<ul style="list-style-type: none"> <li>• <i>Cristian Murariu</i>, Team Leader, Municipal Services/Demo Projects Team, USAID Local Government Reform Project</li> </ul>
11.50 – 12.05	Potential Sources of finance. Revenues enhancement strategy
	<ul style="list-style-type: none"> <li>• <i>Georgeta Melnic</i>, financial consultant</li> </ul>
12.05 – 12.15	Presentations in front of the Local Council
	<ul style="list-style-type: none"> <li>• <i>Alexandru Pelivan</i>, Program Specialist, USAID Local Government Reform Project</li> </ul>
12.15 – 13.00	Evaluation and Concluding Remarks
13.00 – 14.00	Lunch

**LIST OF PARTICIPANTS  
TRAINING ON EFFICIENT WATER SUPPLY OPERATIONS FOR SMALL SYSTEMS**

Nr.	Community	Name	Position
1.	<b>Cristesti</b>	Homitchi Stefan	Manager
		Colun Tatiana	Accountant
		Mocanet Alexandru	Engineer
		Secieru Stefan	Engineer
2.	<b>Zberoia</b>	Axenti Dumitru	Manager
3.	<b>Pereni</b>	Marian Sergiu	Manager
		Lupei Elena	Accountant
4.	<b>Bolduresti</b>	Miron Vasile	Manager
		Voinovan Nina	Accountant
5.	<b>Nisporeni, Ciurleasa</b>	Stefan Luncasu	Manager
		Eftodi Raisa	Accountant
6.	<b>Balauresti</b>	Croitoru Leon	Manager
		Croitoru Anastasia	Accountant
7.	<b>Carahasani</b>	Ursachi Gheorghe	Manager
		Ursachi Vera	Accountant
8.	<b>Hrusova</b>	Capcanari Nicolae	Manager
		Olga Barbaneagra	Accountant
9.	<b>Rosietici</b>	Rotaru Iulian	Mayor
		Ciugureanu Ion	Engineer
		Bostanica Rodica	Accountant
		Ceban Natalia	Accountant
10.	<b>Dubasarii Vechi</b>	Mihai Dolcher	Manager
		Ojog Filip	Engineer
		Coadă Rodion	Accountant
		Leahu Ion	Engineer
11.	<b>Cisla</b>	Cater Olesea	Manager
12.	<b>Calfa</b>	Repeda Vladimir	Manager
		Morari Liubovi	Accountant
		Costețchi Vasile	Engineer
13.	<b>Neculaieuca</b>	Banu Stefan	Manager
		Bejenaru Claudia	Accountant



14.	<b>Pelinia</b>	Bindiu Constantin Agachi Andrei Pisari Dumitru	Manager Accountant Engineer
15.	<b>Recea</b>	Grajdiu Tudor Hapco Valentin Iaicu, Mariana	Engineer Engineer Accountant
16.	<b>Suruceni</b>	Suruceanu Vasile	Engineer
17.	<b>Razeni</b>	Busmachi Tudor Luchian Ion	Engineer Mayor
18.	<b>Cigirleni</b>	Boinceanu Gheorghe Boinceanu Ilie	Mayor Engineer
19.	<b>Vatici</b>	Dogocher Petru Vainer Elena Ceban Valeriu	Mayor Accountant Engineer
20.	<b>Talmază</b>	Plesca Vladimir Panucov Vasile Ceapa Maria	Mayor Engineer Accountant
21.	<b>Selemet</b>	Badan Tatiana Bors Petru	Mayor Manager
22.	<b>Geamana</b>	Sirbu Rodica Coropas Stanislav Acris Galina	Manager Accountant Mayor
23.	<b>Olanesti</b>	Caraus Galina Redico Eugenia Colibabciuc Anatol	Accountant Accountant Engineer
24.	<b>Congaz</b>	Karasei Demian Uzun Ivan Buzadji Zahar	Mayor Engineer Engineer
25.	<b>Molesti</b>	Cujba Vasile Panaite Rodica	Engineer Accountant
26.	<b>Copceac</b>	Orlioglo Fiodor Ciolac Maria Tabunsic Gheorghe	Manager Accountant Engineer
27.	<b>Zirnesti</b>	Beju Nicolae Olari Ion Tutuianu Galina	Mayor Engineer Accountant

*Unofficial translation*

*Approved  
By the Decision of Comrat Town Council  
# 6/31 as of 20.05. 2005*

## **ACTION PLAN**

*for COMRAT Municipal Water Utility*

### **Guiding principle:**

“To develop good quality, efficient, and accountable public water services” that provide equitable access to water, for all.”

**Comrat, 2005**



## **1. INTRODUCTION**

## **2. OBJECTIVES**

## **3. Overview of Comrat municipal water utility**

### **3.1 Technical audit**

*3.1.1 General information*

*3.1.2 Potable water supply*

*3.1.3 Distribution system*

*3.1.4 Water quality*

### **3.2 Financial audit**

*3.2.1 Commercial activity*

*3.2.2 Water and sewerage tariffs*

*3.2.3 Financial results*

*3.2.4 Overview of financial performance*

*3.2.5 Analysis of financial results*

*3.2.6 Conclusions and recommendations*

### **3.3 Managerial audit**

*3.3.1 Ownership form*

*3.3.2 Corporate structure*

*3.3.3 Human resources management*

## **4 Action plan**

**4.1 Technical improvements**

**4.2 Assessment of investment costs for the construction and development of the water supply network**

**4.3 Plan of activities**

**4.4 Financial improvements**

**4.5 Managerial quality improvements**

**4.6 Schedule of activities**

**4.7 Monitoring Plan**

## 1 INTRODUCTION

Comrat Municipal Water Utility offers service to Comrat Municipality with the population of 25,600 residents. The overexploitation of a segment of water supply facilities, negligence and long overdue overhaul over the past decade, as well as the lack of water meters, are the reasons of the company's highly inefficient and costly management. The city administration and Municipal water utility top management team are determined to boost the quality of water supply services by introducing general management development in three major directions, namely technical, financial and managerial quality improvements. This document contains the description of the enterprise's current conditions, the set of requisite improvements, estimated expenses and the plan of activities. It is also designed to serve as a handbook for the enterprise management officials and personnel for the entire length of the plan development and implementation. The entire document, as well as some of its chapters, will be subject to sporadic changes to reflect all the necessary modifications and include more exact and specific data to be expected in the course of the plan implementation.

## 2 OBJECTIVES

The objectives of the plan of activities include an accurate presentation of the current conditions by auditing the municipal water utility management activities and identifying requisite measures and steps designed to reach the final goal of boosting the municipal water utility efficiency, reducing management costs and ensuring the stability of its performance.

The plan of activities gives a description of the current conditions and it offers an overview of necessary technical, financial and managerial improvements to be initiated in the process of the municipal water utility management, fund-raising and investment projects, as well as provides the schedule of activities.

## 3 OVERVIEW OF COMRAT MUNICIPAL WATER UTILITY

This chapter contains the information on the present technical conditions of facilities, the operating parameters of the system equipment, the current financial and management situation, existing drawbacks and weaknesses. The presented data was based on the auditing of the Municipal water utility management activities carried out by the enterprise management team and personnel with reference to the training program, "*Efficient Water Supply Operations*" organized by USAID Local Government Reform Project.

### 3.1 Technical Audit

#### 3.1.1 General data

Table no. 1.

Apartment buildings in [Comrat municipality](#)

Number of an apartment building	Number of apartments in each building	Number of apartments
1	72	72
9	60	540
7	45	315
5	40	200
34	16	544
39	12	468

17	8	136
10	4	40
<b>104</b>	<b>-</b>	<b>2315</b>

### 3.1.2. Supply of potable water

The center of the municipality is supplied with water from the Cioc-Maidan water intake. There are 12 functioning artesian wells in the Cioc-Maidan region. The water main stretches for 25 km and reaches Comrat. Additionally, there are 4 artesian wells in the Geophysics urban district, DAU, Vettecebnita and Pataevo, which provide these urban districts with water on a permanent basis. The residents of Comrat municipality are provided with quality potable water in compliance with the “potable water” national standards.

**Table no. 2.**

**Equipment characteristics**  
(In accordance with the technical instruction handbook)

<b>№ of a pumping facility</b>	<b>Equipment</b>	<b>Engine power kw</b>	<b>Pump power m<sup>3</sup>/h</b>	<b>Well depth m</b>	<b>Hydrodynamic level m</b>	<b>Hydrostatic level m</b>
1,2,3,4,	High pressure centrifugal pump (HPCP) 8-25-200	22	25	405	170	130
5,7,10,11,12	HPCP 8-25-300	32	25	405	170	130
6	HPCP 6-10-235	11	10	405	170	126
1001	HPCP 6-6,3-85	2,8	6,3	72	50	34
1002	HPCP 6-4-190	4,5	4	230	125	98
1003	HPCP 6-4-190	4,5	4	190	150	130
1004	HPCP 6-6,3-85	2,8	4	89	42	27

**Table nr. 3**

**Characteristics of equipment installed in water supply facilities**

<b>Setting</b>		<b>Cioc-Maidan</b>		<b>Comrat</b>			
<b>Well Name</b>		№1,2,3,4,5,7,8,9,10,11,12	№6	№1001	№1002	№1003	№1004
Depth	m	405	405	72	230	190	89

Total power	m <sup>3</sup> /h	25	10	6,3	4	4	4
Used power	m <sup>3</sup> /h	26	11	6	4	4	4
<b>Electric equipment, type</b>		HPCP 8-25-300	HPCP 6-10-235	HPCP 6-10-190			
Power	m <sup>3</sup> /h	25	10	4			
Transport height	m	330	200	190			
Electric engine	kW	32	11	4,5			
Voltage	V	380		380			
Controlling system		Remote control		Engine operator			
Year of installation		1999		1990			
Condition		Satisfactory		Satisfactory			
<b>Water storage facilities</b>		Water tower I, II		Water tower III, IV			
Type		Rojkovskii water tower					
Cubic capacity	m <sup>3</sup>	25		25			
Altitude	m	14		12			
Distance from water resource	m	5-10		5-10			
Year of installation		1990		1990			
Condition		Satisfactory		Satisfactory			

Table no. 4

**Electric power consumption, artesian wells № 1002/3**

Date/ hour	Well №1	Well №5
2 March 2005	264 kw/22kw	384 kw/32 kw
2 March 2005	264 kw/22kw	384 kw/32kw

### 3.1.3 Distribution system

In Comrat municipality, the Cioc-Maingan water intake distributes water in accordance with the scheme. From the primary sources of artesian wells, the water is delivered to reservoirs and later, during the second stage, is pumped by pump facilities to the 16 kilometer aqueduct where it is eventually stored in the reservoirs of the "B" sector. There the water is subject to disinfection with liquid chlorine and after it passes through two water main and storage facilities, it is delivered to the water supply facilities of Comrat municipality where the first water main supplies the water distribution system in the Cotovskii Street area.

The second water main and storage system delivers the water to operating reservoirs located in the Gogol Street area. The water eventually goes from reservoirs to the distribution system of the downstream sector where the third level pumping facility delivers the water to the consumers of the upstream zone. The existing water distribution network located in the central zone of Comrat municipality is an integral system

that meets household, technical and fire-fighting needs. The water supply schedule adapted to the water distribution system (B sector) was devised with reference to the current maintenance of the water distribution network, water shortage and technical conditions of operating networks. The operating schedule of underground water intakes and disinfection facilities is consistent during the day and in the course of the entire year.

**Table no. 5.**

**Distribution network**

Nr.	Street	Material	Diameter mm	20 years m	30 years m	40 years m
<b>Tukaniaska urban district</b>						
1.	Dnestrovskaia	Pe	50			1200
2.	Dnestrovskii Str	Pe	40			340
3.	Dostoievskii	Pe	63			400
			100			240
			150			860
4.	Pokrisnika	Pe	50			400
5.	S. Kovalevskoi	Pe	20			220
6.	Keivskaia	Pe	50			520
		a/c	150			300
7.	Rileva	Pe	20			240
8.	Varnenskaia	Pe	50			920
9.	Iujnaia	Pe	50			140
10.	Kuibisevaia	Pe	50			340
11.	Kotovskii	Pe	20			360
12.	Pobeda	Pe	25			800
		Ot	150			200
13.	Dimitrovo	Pe	50			600
14.	I. Soltis	Pe	25			140
15.	Docuceaev	Pe	20			160
16.	Dimo	Pe				170
17.	60 years of Oktyabria	Pe	150			160
18.	D. Cantemir	Pe	50			150
19.	Gavrilov	a/c	150			460
20.	Maiakovskii	Pe	20			120

Table no. 6.

### Water metering

	Available water metering	Unavailable water metering	Total
<b>Private houses</b>			
Type	Lorens, Ivensus		
Number	3721	2839	6560
Year of installation	1999-2005		
Purchased by	Consumers		
<b>State-financed institutions</b>			
Type	Lorens, Ivensus		
Number	39	-----	39
Year of installation	2000-2005		
Purchased by	Consumers		
<b>Economic entities</b>			
Type	Lorens, Ivensus		
Number	144	2	146
Year of installation	1999-2005		
Purchased by	Consumers		

#### 3.1.4 Water quality

The quality of water should comply with STAS 2874-82 „Potable water” standard with the concentration of flour up to 4 m<sup>3</sup>/l, solid precipitation agent up to 2000 mg/l and colorants up to 80 percent. The quality of potable water is ensured by sanitary and ecological norms and measures designed to prevent the scarcity and pollution of water resources, as well as their adequate operation.

#### 3.2 Financial audit

The evaluation of Comrat Municipal water utility financial activity was carried out in order to determine a set of measures designed to improve the enterprise’s financial situation and devise a relevant action plan.

The analysis was carried out on the basis of financial reports, appendices, statistics and data reports on services and expenses of the enterprise (no. 5-c), information and figures presented in collected and systematic accounting reports and balance sheets.

##### 3.2.1 Commercial activity

The plan of activities at issue is consistent with the water supply services provided by Comrat Municipal water utility. In this context, the enterprise’s commercial activity is composed of water supply services provided to registered consumers and their billing intended to cover the projected production costs. The categories of Comrat municipal water utility consumers/ clients are represented in Table 7.

**Table no. 7.**

**Municipal water utility consumers**

<b>Category of water consumers</b>	<b>Number of water consumers</b>	<b>Clients buying sewerage services</b>
<b>Population</b> Including:	1050544	118625
<b>State-financed area</b>	1483451	810792

The enterprise foresees a number of illegal consumers; however, no such case has been reported to date. Public security and fire-fighting services, albeit being regular water consumers, do not report the amount of water consumed, which consequently is not covered in book records and thus remains unaccounted.

**3.2.2 Tariffs on water and sewerage services**

Current tariffs on water and sewerage services are presented in Table 8. The population's subsidy assistance is apparent, which in turn imposes a significant tariff burden on other categories of consumers.

**Table no. 8.**

**Tariffs on water and sewerage services**

<b>Categories</b>	<b>Water, lei</b>	<b>Sewerage, lei</b>
Residents	4,95	2,95
State-financed institutions and economic entities	30,00	28,00

**3.2.3 Financial results**

*The report on financial results presents an overview of the company's financial results and records and includes revenues, spending, profit and loss rates, account and balance sheets for the reviewed period.*

**Table no. 9.**

**Financial results: thousand, lei**

<b>Report on financial results</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Net sales	2496308	2547412	2840351
Cost of sales	4790477	4898462	4286961
<b>Gross profit</b>	(2294169)	(2351050)	(1446610)
Other operating revenues	36341	2941	6142
General and administrative expenses	654485	370180	296499
Other operating expenses	673594		69504

	29801		
<b>Profit from operating activity</b>	(3585907	(2748090	(1806471
	)	)	)
Financial results of economic and financial activities	(3585907	(2748090	(1806471
	)	)	)
<b>Profit prior taxation</b>	(3585907	(2748090	(1806471
	)	)	)
Income tax	-	-	-
<b>Net profit</b>	(3585907	(2748090	(1806471
	)	)	)

Following the statistic in the table, the enterprise registered net sales ranging between 2496 –2840 thousand lei in 2002-2004. In 2004, the net sales rates were registered at 2496 thousand lei. The dynamics of financial results is indicative of a fluctuating tendency. In 2002-2004, the financial result is negative. The profit structure of the company's other financial activities is represented in Table 10:

**Table no. 10.**

**Net sales weight, thousand, lei**

Index	2004		2003		2002	
	thousand lei	%	thousand lei	%	thousand lei	%
Water supply services	1504,2	60	1668,4	65	1880,3	66
Sewerage services	992,1	40	879,0	35	960,0	34
Total sales return	2496,3	10	2547,4	10	2840,3	10
		0		0		0

The major revenues gains (60%) came from the water supply services.

### 3.2.4 Financial reports

The revenues before depreciation, profit and fees are the principal source of available funds. The enterprise's management team is seeking means to offset profit rates with a spending-wary policy in the wake of prior experience when available resources were very limited for a considerable length of time. The 2002-2004 cash flow is presented in Table 11.

**Table no. 11.**

**Cash flow, thousand, lei**

Index	2004	2003	2002
<b>OPERATING ACTIVITIES</b>			
Proceeds from sales	2194,5	2053,5	3219,1



Index	2004	2003	2002
Suppliers' and entrepreneurs' services payable	2499,4	2473,5	2543,3
Salaries payable and insurance payable	1207,0	950,1	800,7
Profit payable	-	-	-
Income tax payable	60,4	34,1	34,2
Other financial sources of revenues	1839,5	1340,9	402,8
Other cash disbursements	241,2	80,2	138,7
Operating activities net cash flow	26,0	(143,5)	105,0
Investment activities net cash flow	-	-	-
<b>FINANCIAL ACTIVITIES</b>			
Credit and loan receipts	-	-	-
Credit and loan payable	-	-	-
Other receipts (payment)	-	-	-
Financial activities net cash flow	-	-	-
Economic and financial activities net cash flow	26,0	(143,5)	105,0
Difference in exchange rates	-	-	-
Cash balance at the start of the year	382	181,7	76,7
Cash balance at the end of the production term	64,2	38,2	181,7

The enterprise continues to grapple with the lack of available funds in its daily activity, and therefore, is unable to finance renovation and maintenance activities and conduct major investment projects involving fixed assets. This, consequently, leads to the rise in operating expenses, causing the drop in the net profit before taxation and available financial resources. The analysis of the enterprise's cash flow is illustrative of the tendencies similar to those of the financial results.

The 2004 net cash flow received from operating activities is positive. Despite the fact that the enterprise faces financial challenges, the cash flow at the end of the administrative phase was positive due to the reported receipts registered at 88%, which are further distributed to cover current debts.

### Balance sheet

By January 1, 2005, the enterprise's assets are estimated at **103946.5 thousand lei** and this number has slightly dropped against the 2002 records.

**Table no. 12.**

Balance sheet: Assets and liabilities of Comrat Municipal Water Utility						
INDEX	2004		2003		2002	
	thousand lei	%	thousand lei	%	thousand lei	%

	2004		2003		2002	
<b>LONG-TERM ASSETS</b>						
Intangible assets	9,6		6,4		7,0	
Fixed assets	1108,2		1108,2		958,2	
Tangible resources	120107,2		122520,5		122509,6	
Accumulated depreciation	(21828,1)		(21835,8)		(20385,5)	
Book value	99387,3		101792,9		103082,3	
Other long-term assets	1157,1		1157,1		1157,1	
<i>Total long-term assets</i>	<i>100544,0</i>	<i>96.7 %</i>	<i>102956,4</i>	<i>96.6 %</i>	<i>104246,4</i>	<i>96.4%</i>
<b>CURRENT ASSETS</b>						
Inventories	167,6		99,9		92,8	
Short-term accounts receivable	3160,7		3441,9		3662,4	
Cash	64,2		38,2		181,7	
<i>TOTAL current assets</i>	<i>3392,5</i>	<i>3.3 %</i>	<i>3580,0</i>	<i>3.4%</i>	<i>3936,9</i>	<i>3.6%</i>
<b>TOTAL ASSETS</b>	<b>103946,5</b>	<b>100 %</b>	<b>106536,4</b>	<b>100%</b>	<b>108183,3</b>	<b>100%</b>

The structure of assets is predominantly composed of long-term assets, which constitute 97 percent of the total assets and include tangible resources and fixed assets that comprise up to 98 percent of all long-term assets. Fixed assets have a high depreciation index. Current assets are predominantly composed of short-term trade accounts receivable, the share of which is estimated at 93 percent of current assets and 3 percent of total assets. 94 percent of accounts receivable include outstanding debts for water supply, sewerage and heating services provided by the enterprise. The issue of accounts receivable is an issue of the management of problematic accounts.

Table no. 13.

**Balance sheet: Liabilities**

INDEX	2004		2003		2002	
<b>SHAREHOLDERS' EQUITY</b>	thousand lei	%		%		%
Reserves	106452,3		93535,9		93535,9	
Profit, net	(7865,5)		(8579,5)		(5716,9)	
Subsidies	(17,9)		(17,9)		(17,9)	
<i>TOTAL EQUITY</i>	<i>98568,9</i>	<i>95%</i>	<i>100606,9</i>	<i>94.5%</i>	<i>103469,6</i>	<i>95.6 %</i>

INDEX	2004		2003		2002	
<b>LONG-TERM LIABILITIES</b>						
Long-term bank loans						
Other long-term liabilities	1177,8		1177,8		1177,8	
Special financial allocations	1101,7		1101,7		951,7	
<i><b>TOTAL long-term liabilities</b></i>	<i><b>2279,5</b></i>	<i><b>2.2%</b></i>	<i><b>2279,5</b></i>	<i><b>2.1%</b></i>	<i><b>2129,5</b></i>	<i><b>2.0%</b></i>
<b>SHORT-TERM LIABILITIES</b>						
Short-term bank loans						
Business liabilities	1805,3		2841,7		2019,7	
Budget liabilities	665,6		304,9		126,0	
Insurance liabilities	105,9		82,5		87,7	
Other current liabilities	521,3		420,9		350,8	
<i><b>TOTAL short-term liabilities</b></i>	<i><b>3098,1</b></i>	<i><b>2.3%</b></i>	<i><b>3650,0</b></i>	<i><b>3.4%</b></i>	<i><b>2584,2</b></i>	<i><b>2.4%</b></i>
<b>TOTAL LIABILITIES</b>	<b>103946,5</b>	<b>100%</b>	<b>106536,4</b>	<b>100%</b>	<b>108183,3</b>	<b>100%</b>

The 2004 structure of liabilities indicates a slight value drop. Shareholders' equity was set at 95 percent; the share of short-term liabilities in 2004 was estimated at 2.3 percent and that of short-term business liabilities at 1.74 percent. Another important issue the enterprise is currently grappling with is the time discrepancies that appear between accounts receivable and business liability disbursements. A poor social environment, the general industrial decline and lack of funds at public institutions have accounted for the rise in outstanding debt rates. The structure of trade liabilities is presented in Table 14.

**Table no. 14.**

<b>Accounts receivables by January 1, 2005</b>	
<b>Type</b>	<b>01.01.2005 thousand, lei</b>
Public utility services	213.4
Heat and power services	240.2
Suppliers	38.1
<b>Total liabilities</b>	<b>491.7</b>

The enterprise's management team is seeking to prioritize the increase in profit rates. In current conditions, it is important to keep a minimum level of unpaid debts (to at least maintain the current rates) in order to provide for sufficient funds to pay current liabilities (overall, power service costs and wage disbursements). It is a prerequisite to the enterprise's long-term activity and survival.

The enterprise's accounts payable have risen significantly. They are presented in Table 15.

**Table no. 15.**

**Accounts payable on December 31, 2004 (thousand lei).**

Suppliers	1354,5
National budget	523,1
Social fund	105,9
Wage arrears	454,4
Other accounts payable	660,2
<b>Total</b>	<b>3098,1</b>

The largest share of accounts payable by Comrat Municipal utility is composed of the accounts payable to national budget estimated at 523.1 thousand lei, tax debts and accounts payable to Energotride Ltd for power services estimated at 497 thousand lei.

**Costs and expenditures**

The costs and expenditure structure of Apa Canal Comrat Municipal utility is comprised of direct costs of supplies, direct wage and salaries payable and indirect goods expenditure. The direct costs of supplies to provide for water supply and sewerage services generally include electric power consumed during operating activities, supplies used for water treatment and costs incurred by the aqueduct maintenance services.

**Table no. 16.**

**Direct expenditure of supplies, thousand, lei**

<b>Expenditure type</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
	1095	2013	1284.
Power supply	.4	.0	3
	53.8	73.7	65%
=total expenditure share	%	%	
Reagents	9.0	16.9	7.2
	0.4	0.6	0.4 %
= total expenditure share	%	%	
Expenditure and wage and salary payable , total	932.2	702.7	685.7
= total expenditure share	45.8	25.7	34.6%
	%	%	
	2036	2733	1977.
<i>Total expenditure</i>	.6	.6	2

Electric power accounts for the biggest share in the direct expenditure structure being set at 65%-73%. In order to ensure a 20 percent drop in expenditure rates, in Q IV 2004, the enterprise replaced low capacity electric equipment at the Cioc Maidan water intake.

Over the past 2 years, the operating activities and water supply and sewerage services register the rise in output rates and a consolidating tariff policy. A detailed structure of operating results posted by the water supply and sewerage services is shown in Table 17.

**Table no.17.**

**Expenditure structure of water supply services, thousand, lei**

<b>Index</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Supplies (reagents)	9.0	16.9	7.2
		1696.	1017.
Power supply	950.3	5	1
Salaries	449.2	321.2	300.5
Social insurance	125.8	93.2	87.1
		1108.	1295.
Fixed assets depreciation	1303.2	9	8
Indirect expenditure	708.2	520.5	390.5
		3757.	3098.
<b>Total</b>	<b>3545.7</b>	<b>2</b>	<b>2</b>

**Table no. 18.**

**Expenditure structure of sewerage services, thousand, lei**

<b>Index</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Supplies (reagents)			
Power supply	145.1	316.5	267.2
Salaries	279.1	223.5	231.1
Social insurance	78.0	64.8	67.0
Fixed assets depreciation	516.0	305.2	265.3
Indirect expenditure	226.5	231.2	358.3
	1244.		1188.9
<b>TOTAL (thousand lei)</b>	<b>7</b>	<b>1141.2</b>	

According to available data, it becomes apparent that the biggest share of total expenditure of water supply and sewerage services is comprised of fixed assets depreciation, about 42 percent, and salaries payable, about 22.4 percent. In order to reduce fixed asset depreciation costs, the enterprise's assets and liabilities policy stipulates two depreciation methods, a linear method and a method employing production facilities in the Cioc-Maidan water intake, since the output capacity is set there at 5 thousand cubic meters, whereas the water supply is ensured in accordance with a schedule that stipulates 1,800-2,700 cubic meters per day.

In order to examine the payment of operating costs by accounts receivable from the water supply and sewerage services as a source of expenditure allocations, the specialists used the results of supply expenditure during the sewerage and water supply activities.

Table no. 19.

**Water supply and sewerage services tariffs payable rates**

Index	2004	2003	2002
<b>Water supply (thousand cubic meters)</b>	325	400	490
Flat rate, lei/ cub m	10,91	9,39	6,32
Average tariff, lei	5	4,96	4,96
Price coverage rates, %	56	53	78
<b>Sewerage services (thousand cubic meters)</b>	136	169	183
Flat rate, lei/ cub m	9,15	6,75	6,5
Average tariff, lei	11,05	3,06	3,06
Price coverage rates, %	121	45	47
<b>Water supply and sewerage services (thousand cubic meters)</b>	461	569	673
Flat rate, lei/ cub m	20,06	16,14	12,82
Average tariff, lei	17,2	8,02	8,02
Price coverage rates, %	85	50	63

The available records show that the average tariff is barely sufficient to ensure the reimbursement of all the expenses and costs of water supply services. Both water supply and sewerage services in 2002 and 2004 were provided at the rates below operating costs. Given the depreciation rates of water supply and sewerage network facilities, as well as high electric power costs, it became necessary to identify new methods of reducing operating losses by means of services and new approaches of attracting investment to enable the replacement of old water distribution facilities with better ones.

### 3.2.5 Performance indicators

In order to identify major dynamic shifts and the change of factors influencing performance indicators of the enterprise, the analysis focuses on key economic and financial indicators.

Table no. 20.

**Key economic and financial indicators**

INDEX CATEGORIES/ RATIOS	2004	2003	2002
<b>Performance indicators</b>			
Net Sales, lei	2496308	2547412	2840351
Operating profit, lei	(3585907)	(2748090)	(1806471)
Assets, average, thousand, lei	105241,45	107359,85	11108183,3
Shareholders' equity (net)	98568,9	100606,9	103469,6
<b>Liquidity ratio</b>			

INDEX CATEGORIES/ RATIOS	2004	2003	2002
Current assets, thousand, lei	3392,5	3580,0	3936,9
Intermediate liquidity (Current assets-Inventories/Short term liabilities)	1,04	0,95	1,48
<b>Equity turnover</b>			
Liabilities turnover, days (Short term liabilities/Sales*360)	447	515	328
Accounts receivables turnover, days (Average accounts receivables/Sales*360)	476	502	464

The enterprise's economic and financial activities in 2002-2004 generated losses. Sales rates registered a decline; the ratio of financial results and net sales changed sporadically and registered negative results. Liquidity ratios indicate the results insufficient to provide for an adequate performance over the reviewed period of time. The analysis of indicators shows upward instability and the rise in the enterprise's debt rates, which in turn may prevent the enterprise from paying its current liabilities and cause the drop in current short-term liabilities. The turnover of liabilities and accounts payable denotes the period of accounts payable and receivable that is extended for over a year, indicating a lower rate of current liabilities payable to state and commercial creditors, as well as assets payable under optimal terms.

### 3.2.6 Conclusions and recommendations

Table 21 outlines a set of conclusions of the financial review, indicating the enterprise's weaknesses and strengths, as well as opportunities and threats.

**Table no. 21.**

#### **SWOT Analysis of Comrat Municipal Water Utilities**

Strength	Weakness
<ul style="list-style-type: none"> <li>Qualified financial experts</li> </ul>	<ul style="list-style-type: none"> <li>Declining sales rates</li> <li>High electric power costs</li> <li>Lack of financial resources to meet payment obligations</li> <li>High depreciation rates of fixed assets</li> <li>Loss-making activity</li> <li>Significant loss</li> <li>It is difficult to guarantee available funds to the enterprise on a permanent basis</li> <li>Low accounts receivable</li> <li>Lack of a financial and accounting database</li> </ul>
Opportunities	Threats

<ul style="list-style-type: none"> <li>• Establish profit centers and cost centers</li> <li>• Benefit from financial assistance provided by donor-companies and local budget; seek grants</li> <li>• Attract individual investments</li> </ul>	<ul style="list-style-type: none"> <li>• Insolvency risk</li> <li>• Increasing network loss rates</li> <li>• Increasing energy resources prices</li> </ul>
--	--

## Recommendations

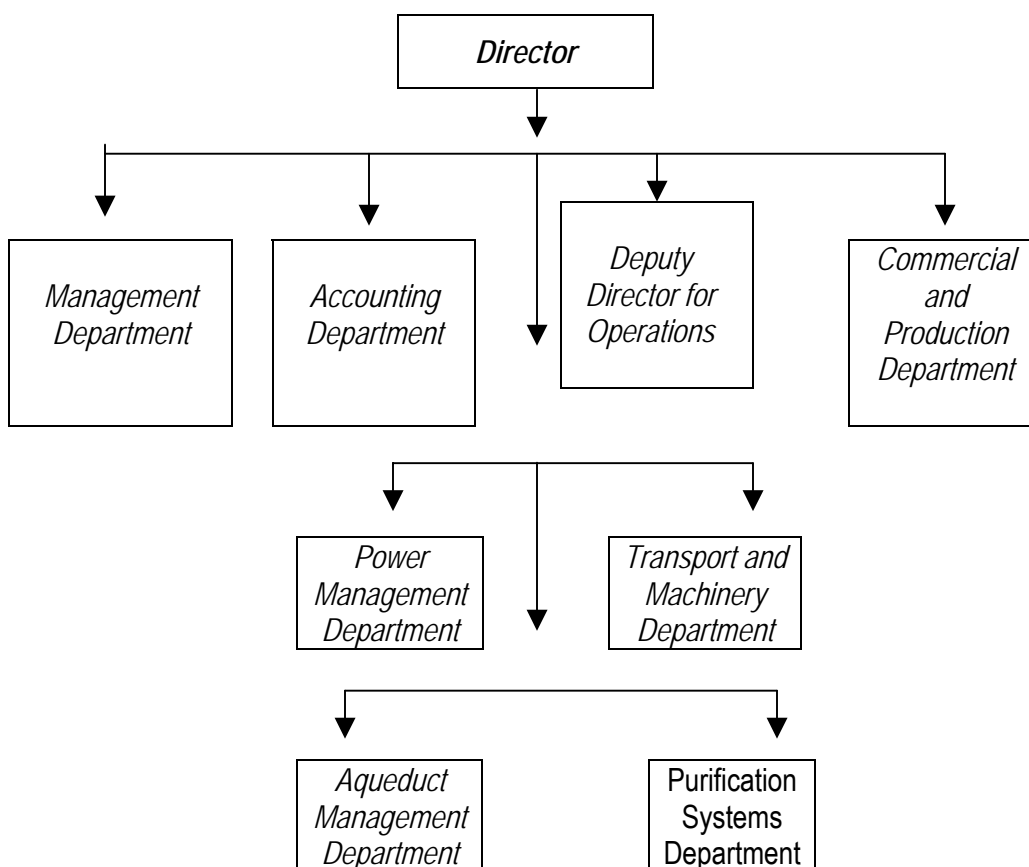
1. Establish the associations of residents of privatized apartments-condominiums;
2. Organize the costs centers in each sector and install water meters; assign responsibilities in each sector;
3. Install pressure gauges in downstream sectors;
4. Install backflow check valves;
5. Improve the system of costs and management accounting by installing meters among public consumers;
6. Organize an information campaign to boost consumers' awareness about the need to economize and reduce water consumption;
7. Organize computer training courses for personnel;
8. Attract investment and implement the №29П-53/2004 Project devised by Intexnauca Joint Stock Company to overhaul and revamp purification facilities;
9. Evaluate new opportunities of pushing sales rates and accounts payable by residents and economic entities for water supply and heating services.
10. Establish a data-base to monitor and maintain the enterprise's economic relations with suppliers, banks, residents, economic entities and potential investors, etc;
11. Study the opportunities of boosting the commercial value of unused fixed assets to cut indirect costs and consolidate book-keeping and accounting procedures;
12. Attract financial resources; for example, international donor-organizations, investors, governmental allocations, etc;
13. Establish profit centers and costs centers and implement the budget system;
14. Monitor and optimize the costs and expenditure structure of the enterprise;
15. Organize management accounting at the controlling centers and promote the cooperation system;
16. Provide the accounting departments with computers, install 1C accounting software and organize training courses for the enterprise's personnel;
17. Devise financial strategies to cut operating costs, ensure liabilities payable and boost liquidity;
18. Devise strategies to implement the project № 7235 designed to "clean the Ialpuș river bed from the Comrat water reservoir to the Congaz water reservoir; replace water supply and sewerage facilities." The project was devised by IPROCOT Design Institute. Study various methods to increase fund-raising.



### 3.3 Management overview

#### 3.3.1 Form of ownership – public (municipal) enterprise

#### 3.3.2 Corporate structure



#### 3.3.3 Personnel management

No	Office/ position	Units
1	2	3
<b>Management Department</b>		
1	<b>Director of enterprise</b>	1
2	Deputy Director for Operations	1
3	Lawyer	2
4	Human Resources Specialist	1
5	Secretary	1
6	Software Specialist	1
7	Warehouse Manager	1
8	Safety Manager	1
	<b>TOTAL:</b>	9

<b>Accounting Department</b>		
1	Chief Accountant	1
2	Deputy Chief Accountant	1
3	Accountant	1
4	Cashier	1
	<b>TOTAL:</b>	<b>4</b>
<b>Commercial and Production Department</b>		
1	Head of Department	1
2	Engineer	2
3	Water Supply Engineer	1
4	Economist	1
5	Pay clerk	1
6	Controller	7
7	Locksmith	1
8	Gas electric welder	1
	<b>TOTAL:</b>	<b>15</b>
<b>Aqueduct Management Department</b>		
1	Head of Department	1
2	Expert	1
3	Controller	4
4	UAZ Driver	1
5	GAZ-52 Driver	1
6	Locksmith	5
7	Gas electric welder	3
8	Tractor Driver	2
9	Shovel Operator	2
10	Aqueduct network engineer	6
11	Pump Operator	12
12	Chlorine Installation Operator	4
	<b>TOTAL:</b>	<b>42</b>
<b>Purification Systems Department</b>		
1	Head of Department	1
2	Locksmith	5
3	GAZ-52 Driver	1
4	<i>SPPAU Operator</i>	4
5	<i>SE Operator</i>	12
6	<i>Controller</i>	1
	<b>TOTAL:</b>	<b>24</b>
<b>Power Management Department</b>		
1	<i>Power Engineer, Chief</i>	1
2	<i>Locksmith - electrician</i>	1
3	<i>Electricians</i>	2
	<b>TOTAL:</b>	<b>4</b>
<b>Transport and Machinery Department</b>		
1	<i>Mechanic</i>	1
2	<i>UAZ Driver (head and deputy)</i>	2
3	<i>Watering machine driver</i>	1
4	<i>Drainage vehicle driver</i>	1
5	<i>Shovel Operator</i>	1

6	<i>Janitor</i>	1
7	<i>Security</i>	6
	<b>TOTAL:</b>	<b>13</b>
	<b>TOTAL ENTERPRISE PERSONNEL</b>	<b>111</b>

## 4 ACTION PLAN

The plan of activities stipulates a set of compulsory measures designed to improve the technical, financial and managerial aspects of Apa-Canal Comrat Municipal Enterprise. By prioritizing all the listed aspects, the plan itself is a gradual implementation of correlated activities and main goals, which seek to improve the enterprise's performance, cut operational costs, develop the system's technical conditions, boost the quality of public services and, consequently, improve the enterprise's financial situation.

### 4.1 Technical development

#### 4.1.1 *Water supply services:*

- Repair 4,520 m of the water main;
- Replace 45 penstocks, 115 safety valves, 55 collars and 200 lids.
- Replace 4 water towers;
- Replace measuring devises and control gadgets;
- Replace the pump (Dostoevskii Street);
- Replace automatic equipment at the A water intake.
- Replace 3 centrifuge pumps at the pumping plant of the II stage;

#### 4.1.2 Purification facilities:

- Overhaul high water pressure mains;
- Resume the operation of sand catchers plants and aeration tank;
- Overhaul secondary and primary collectors, distribution devices, SPP reservoirs and purifying tanks;
- Re-open laboratories.

### 4.2. Assessment of investment costs for the construction and development of the water supply network

The following is the review of investment costs required for the construction and development of the water supply network in the 3d sector of Pobeda and Dostoievschi Streets in Comrat. The following information includes the description of measures and financial costs.

Table no.22

Investment report		
Nr.	Measures	Total costs, MDL
1.	The extension of the water supply network in the 3d sector of Pobeda and Dostoievschi Streets	309002
2.	Production control and network maintenance	11400
3.	Design development	13300
4.	Other expenses	10011
5.	Value Added Tax	68743
<b>TOTAL INVESTMENT COSTS</b>		<b>412456</b>

The set of aforementioned measures will be prioritized in accordance with their economic value and available resources.

#### 4.3. Plan of activities

The implementation of the project activities should be preceded by an overall technical and financial review of the outlined measures and prepared documentation for engineering works. The packet of documents must include engineering analysis and data, a detailed plan, the specifics of all the materials and equipment that require installation or replacement.

In addition to specific information on the equipment, materials, activities and required investments, it is indispensable to determine financial resources. These resources may be comprised of the enterprise's own funds, local budget allocations, grants provided by international donor-organizations and commercial loans offered by local banks. In order to ensure the availability of necessary funds, the enterprise is called on to consider all the improvements from the technical, financial and managerial standpoints, as well as to demonstrate its ability to repay loans and guarantee long-term system operation.

Any subsequent activities will depend on the availability of necessary finances, and under certain circumstances, on the schedule and priorities, which will determine their implementation in accordance with the success or failure to obtain partial or full financial support.

The project activities will further continue and include the need to collect purchase documents, organize tenders, select suppliers and contractors and issue payment orders.

The construction works, installation and putting the equipment and facilities into operation represent the final stage of the project, followed by training courses and a long-term performance verification process (at least 6 months).

#### Technical improvements

Final technical and financial assessment  
Design development  
Identify and ensure financial sources

#### Anticipated results

Reports on final assessment results  
A complete package of documents  
compiled in accordance with requirements

Provide purchase documents	Selection of contractors and suppliers
Organize bids and select contractors and suppliers	Signed payment orders and contractors
Sign contracts and issue payment orders	Operational computerized system
	Reports on collected data and scheduled evaluation procedures
<b>Purchase office equipment</b>	Trained personnel in all subdivisions and departments
Introduce the procedures of assembling and analyzing economic information	

#### 4.4 Financial and accounting improvements

Table no. 23.

##### Financial and accounting improvements

Activities	In charge	Expected results
Launch the informational system at the accounting departments	Director of the Enterprise	Improve the quality and availability of information
Balance the disparity between adopted tariffs and real-term water costs	City administration	Cover expenses
Establish the associations of residents of privatized apartments – condominiums in multi-storey apartment buildings.	City administration and Director of the Enterprise	Higher house bills disbursement rates
Appoint a commission in charge of debt collection	Director of the Enterprise	Increase in debt collection
Establish the system of management accounting at the controlling centers and install the computerized accounting system at the controlling centers	Chief Accountant	Improve the information quality

#### 4.5 Management improvements

The plan of activities also foresees managerial improvements in the corporate structure of Apa-Canal Comrat Municipal Water Utility. It prioritizes the professional development courses for the personnel, as well as the employment of new specialists, the exchange of information, long-term investment strategies and system renovation.

Special attention will be given to the analysis of the opportunities of expanding the services' spectrum, as well as to the studies of the services market. A key problem obstructing the efforts in the enterprise's managerial reforming and improvements is lack of networking between the enterprise's top management and subordinate departments, including the information on all existing technical problems and their impact on the operational process, costs, and the service quality. Another problem involves the need to regularly draw up financial reports that include the analyses of costs, profit rates and investment projects.

An outline of major activities designed to promote the managerial improvements of Apa-Canal Comrat Municipal Water Utility as follows:

Table no. 24

**Major activities designed to promote managerial improvements**

Activities	In charge	Expected results
Ensure exchange of experience with other Apa-Canal branch companies	Administrative departments	Improvement of the quality of work and performance
Devise long-term investment projects and a restructuring plan	Heads of administrative departments	Database on potential investors
Establish a new lawyer position in the structure of the enterprise personnel	Director of the Enterprise	Improvement of the juridical base
Organize computer training courses for the personnel	Administrative departments	Optimize activities and information access
Appoint a special commission to investigate the cases of the illegal use of water and sewerage services	Administrative departments	Lower loss rates

#### 4.6 Schedule of activities

The schedule of pre-planned activities is presented in Table 25, which includes the types of measures and the scheduled time of their start and end. In the course of the project implementation, the schedule should be periodically reviewed, as well as any substantial modifications and their influence on the schedule of other activities that have to be entered in the plan.

#### 4.7 Plan monitoring

The Implementation of the Action Plan is supervised by Apa-Canal Comrat Municipal Water Utility, namely by the Director of the municipal water utility. The person in charge of the supervision process is expected to report on the progress made at the end of each quarter to the local council.

**Table no. 25. Schedule of the action plan implementation**

[illegible]

<b>II</b>	<b>Managerial improvements</b>	
1	Appoint a special commission to investigate the cases of the illegal use of water and sewerage services.	
2	Establish the associations of residents of privatized apartments-condominiums in multi-storey apartment buildings.	
3	Ensure exchange of experience with other Apa-Canal branch companies.	
4	Devise long-term investment projects and a restructuring plan.	
5	Establish a new lawyer position in the structure of the enterprise personnel.	
<b>III</b>	<b>Financial improvements</b>	
1	Organize an information campaign; assemble relevant information and establish a data base.	
1.1	- organize round table debates to be broadcast on television;	
1.2	- produce radio shows;	
2	establish cost centers in the municipality districts	
3	Attract investment and implement the №29П-53/2004 Project devised by Intexnauca Joint Stock Company to overhaul and revamp purification facilities.	
4.	Devise strategies to implement the project № 7235 designed to “clean the Ialpug river bed from the Comrat water reservoir to the Congaz water reservoir; replace water supply and sewerage facilities.” The project was devised by IPROCOT Design Institute. Study various methods to boost fund-raising.	

*Director of Apa-Canal*

*Kilicik S.P.*





## **DEMONSTRATION PROJECTS TRAINING REPORT ON TRAINING / BACKGROUND INFORMATION**

From January to March 2005, LGRP delivered 5 (five) training programs in Project Design & Management (PDM) for LGRP partners on initiation, planning and implementation of small demonstration projects. These events were attended by 72 (seventy-two) participants from 61 (sixty-one) LGRP partner communities.

This effort was targeted specifically for partner communities seeking to implement adopted community strategic plans and address critical community critical needs via demonstration projects. The training program was delivered in five different sessions in order to accommodate all LGRP partner communities who expressed interest in participation.

The participants had the opportunity to discuss common problems in working groups and to identify solutions depending on available resources.

All the trainings were extremely successful. The participants demonstrated enthusiasm and interest in improving the quality of provided services by means of gained knowledge concerning projects elaboration and implementation.



## TRAINING PROGRAM FOR THE LGRP PARTNER COMMUNITIES

### How to select, design, apply for and manage Small Demonstration Projects

*Implementation of Demonstration Projects in communities*

#### AGENDA

February 15, 2005

- |               |   |
|---------------|---|
| 10:00 – 11:30 | Identifying and defining the project<br><i>Cristian Murariu, Sr. Program Specialist of Municipal Services/Demo Projects Team, LGRP,</i><br><i>Duane C. Beard, LGRP Chief of Party</i> |
| 11:30 – 11:50 | Coffee break  |
| 11:50 – 13:15 | Planning and implementing the community projects<br><i>Cristian Murariu, Sr. Program Specialist of Municipal Services/Demo Projects Team, LGRP</i>                                    |
| 13:15 – 13:30 | Coffee break  |
| 13:30 – 14:15 | Completing and evaluating the community projects<br><i>Cristian Murariu, Sr. Program Specialist of Municipal Services/Demo Projects Team, LGRP</i><br>Questions and Answers           |
| 14:15 -       | Individual work with Liaisons (optional)  |

## DEMONSTRATION PROJECTS TRAININGS LIST OF PARTICIPANTS

**9 February 2005**

#	Community	Participant	Note
1	Biruinta	Anatol Prodan	
2	Calfa	Victoria Gozu	
3	Casunca	Eleonora Ciupac	
4	Cigirleni	Gheorghe Boinceanu	
5	Cisla	Olga Bors	
6	Colibasi	Maria Stirbu	
7	Dobrusa	Victor Grosu	
8	Dubasarii Vechi	Aurel Antoci Chief - accountant	
9	Neculaieuca	Claudia Bejenaru	
10	Rosietici	Iulian Rotaru	
11	Selemet	Tatiana Badan	
12	Stefan Voda	Gheorghe Anghel Vitalie Rusanovschi	
13	Talmaza	Stefan Godeac	
14	Vatici	Petru Dogocher	
15	Viisoara	Gheorghe Burlac	

**TOTAL** **17 persons**

**15 February 2005**

#	Community	Participant	Note
1	Causeni	Tudor Cislaru	
2	Cimislia	Ion Alexandreanu Vladimir Dem	
3	Ciuciulea	Veaceslav Barat	
4	Geamana	Galina Acris	
5	Gribova	Valeriu Moroz	
6	Hrusova	Semion Cotovici	
7	Marinici	Ion Croitoru	
8	Pascani	Constantin Curnic	
9	Straseni	Vladimir Botnari	

**TOTAL** **10 persons**

17 February 2005

#	Community	Participant	Note
1	Balti	Aurel Puica	
2	Basarabasca	Liudmila Degtearenco Tatiana Donici	
3	Briceni	Alexei Gherman Nicolae Eremenciuc Dumitru Baiesu	
4	Ceadir Lunga	Mihail Formuzal Ross Brown	
5	Comrat	Antonina Vacarciuc Comrat representative	
6	Copceac	Oleg Garizan	
7	Congaz	Ivan Uzun	
8	Edinet	Nicolae Samcov	
9	Falesti	Liubomir Sacara	
10	Ocnita	Galina Zalevscaia	
11	Rezina	Mihail Cut	
12	Taraclia	Serghei Filippov	
13	Tvardita	Maria Pascova	
14	Vadul Lui Voda	Natalia Lungu	

**TOTAL** 19 persons

22 February 2005

#	Community	Participant	Note
1	Antonesti	Anatol Sirbu	
2	Balauresti	Gheorghe Batrinu	
3	Bilicenii Vechi	Alexei Cozma	
4	Cantemir	Angela Danalachi	
5	Carahasani	Vladislav Cociu	
6	Ermoclia	Alexandru Pavlicenco	
7	Hincesti	Anadela Trofilat	
8	Ialoveni	Anatol Moldovan Tamara Castrasan	
9	Leova	Victor Antoniu	
10	Nisporeni	Victor Rusu	
11	Orhei	Ion Sarban	
12	Rosu	Vasile Ciobanica	
13	Soroca	Elena Focsa	

**TOTAL** 13 persons

**01 March 2005**

#	Community	Participant	Note
1	Badiceni	Valeriu Tinerelu Badiceni representative	
2	Bolduresti	Vasile Miron	
3	Cahul	Gheorghe Zagorodnii	
4	Cornesti	Margareta Andries	
5	Cricova	Valentin Gutan	
6	Donduseni	Aliona Vasilevscaia	
7	Floresti	Iurie Tap	
8	Magdacesti	Svetlana Bitlan	
9	Molesti	Mihai Catan	
10	Singera	Ghenadie Iurco	
11	Singerei	Gheorghe Brasovschi	
12	Zberoaia	Ala Iancu	

**TOTAL** **13 persons**

**TOTAL** **72 persons**

**USAID Local Government Reform Project**

Revised 07 Feb 2005, draft\_2

**Application For Demonstration Project Assistance**

1. Name of project

2.1. Community (City/Township/Village)	2.2. Location in community (attach map)

3.1. Name of Mayor	Contact information

3.2. Community Project Coordinator	Contact information

4.1. Community Strategic Plan information	
Page / Paragraph	
Date Strategic Plan adoption by the Council (attach an official copy of Council Action)	

4.2. Community municipal services Action Plan (yes or no)	4.3. If yes, date of official approval by the council. (attach an official copy of Council Action)

<b>5. Description of the problem to be addressed by project</b>
---

--

<b>6. Description of the project</b>
--------------------------------------

--

<b>7. Benefits anticipated</b>
--------------------------------

--

<b>8. Number and types of beneficiaries (children, senior citizens, etc)</b>		
--	--	--

Beneficiaries	Type of benefit(s)	Number


9. Total Project Budget (Type of expenditures)		Amount
Engineering / design		
Specialized Services		
Labor		
Construction Materials		
Equipment Purchase		
Use of Equipment /Machinery		
Transportation		
Project Administration and Monitoring		
Consultancy (other – explain)		
Contingencies		
Other (specify)		
Total Project Cost*		



**Source of Estimates:** .....

\* **TPC** = total project cost, i.e. all funds from whatever sources that are anticipated to be expended to complete the project.

## FUNDING

10. Anticipated funding sources		
10.1. Local contribution (cash, labor, materials)		
10.2. Other donors		
10.3. Requested from LGRP		
	<b>Total</b>	

10.1. Local contribution(s)- detailed						
10.1.1. Cash	Local Government					Total  .....
	Citizen contribution					
	Other (specify).....					
10.1.2. “In-kind” Labor	Type of work (skilled/un-skilled)	Value/ working day pers	No of workers	No of days	Value	Total  .....
10.1.3. Materials	Item	Quantity		Value		Total

				.....

## 10.2. Other donors contribution - detailed

Donor name/representation	Donor Address/Contact Information	Amount	Total  .....

## 11. Implementation schedule

[illegible]

## Documentation

12.1. Design requirements		12.2. Status of design	
<input type="checkbox"/>	Construction Design	<input type="checkbox"/>	“Bid Ready” for implementation (all documents ready)
<input type="checkbox"/>	Rehabilitation Design	<input type="checkbox"/>	Preliminary design (feasibility/cost estimate)
<input type="checkbox"/>	Other type (specify).....	<input type="checkbox"/>	Design under preparation
<input type="checkbox"/>	Design not required	<input type="checkbox"/>	Existing design but needs update
		<input type="checkbox"/>	Sketch Plan/ Internal estimate
		<input type="checkbox"/>	Design process not started

**12.2. List all permits and/or approvals that are required by law, and status of each**

[illegible]

## Certification

### I hereby certify the following:

- The project will address a problem identified in the Community Strategic Plan, presented and discussed in a public hearing, and officially adopted by the Local Council, at the referenced date. (insert)
- The Application for project assistance was reviewed by the Local Council and its submission authorized by the official action of the by the Local Council
- Community contribution is available.
- The project implementation will be completed in compliance with Moldovan laws, including the Environmental Protection Law, as well as all applicable US laws, regulations, administrative procedures, etc. I am also responsible for securing all necessary permits and approvals required by this project.
- The implementation of the project does not favor any personal or political cause.
- The statements made in this application are true and accurate to the best of my knowledge

Mayor's signature and stamp	Date

### **APPLICATION FORM –demonstration project (sample)**

<b>1. Name of the project</b>
Moldovenii Noi, construcția rețelei de distribuție gaz

<b>2. Place (Community, City/Village)</b>
Moldovenii Noi Village

<b>3.1. Mayor name</b>	<b>Contact information</b>
Ion Moldovanu	356 – 48- 238 Office 356 – 48- 315 Home 356 – 48- 239 Secretary of the LC

<b>3.2. Responsible person</b>	<b>Contact information</b>
Dumitru Popa, member of the city council	356 – 48- 237 Office 356 – 48- 211 Home 356 – 48- 239 Secretary of the LC

<b>4.1. Where in the Strategic Plan is this problem to be solved?</b>	
Page	11
Paragraph	2
Priority rating in the strategic plan	2
When was the Strategic Plan approved by the City Council?	20 Nov 2003

<b>4.2. Did the community elaborate an Action Plan for the specific municipal service area? (yes or not)</b>	<b>4.3. If yes, when was approved by the city council?</b>
Yes	20 July 2004

### 5. Description of the problem

In Moldovenii Noi homes, school, kindergarten and other public buildings there have no qualitative heating systems. There was an attempt to build a low-pressure gas supply network to be connected to the main gas pipeline 15 years ago, but the project was not carried out for some reasons that occurred in 1989. At the present moment the residents used gas cylinders (transported from Chisinau) associated with higher risks and expensive costs. In the cold season the village uses coal and wood for heating, but there are families could not afford to heat the houses during the winter time.

### 6. Description of the project

The Project consists in construction of a polyethylene gas pipe 1,400 meters long. Also a pressure reducer and gas metering station for the Moldovenii Noi village will be installed. The gas supply pipe will provide 1,297 cubic meters per hour of natural gas for village. On the whole rout every 250 meters there will be installed a special sign indicating the gas pipe to prevent any unauthorized works along the rout. After all installation works will be finished the gas pipeline will be tested for pressure and resistance according to the security requirements in the area of gas supply. Each household will pay for the individual connection to the main line.

### 7. Benefits anticipated

- Casele și instituțiile publice din Moldovenii Noi vor fi asigurate cu combustibilul necesar pentru încălzire în perioada rece a anului.
- Sistemul de încălzire cu gaz va permite utilizarea mai eficientă a energiei în instituțiile publice (inclusiv școli, grădinițe, spital, bibliotecă și Primărie), ceea ce va genera economii la bugetul local, care vor putea fi utilizate pentru soluționarea altor probleme ale comunității.

### 8. Number and types of beneficiaries (children, senior citizens, etc)

Beneficiaries	Number
Students from the school	550
Children from the kindergarten	80
1000 homes, public buildings	3, 050 people

## 9. FUNDING

9. Estimated total cost and founding sources		
9.1. Local contribution (cash, labor, materials)		60,000 lei
9.2. Other donors		-
9.3. Requested from LGRP		200,000 lei
<b>Total</b>		<b>260,000 lei</b>

9.1. Local contribution - detailed						
9.1.1. Cash	City hall			30,000lei		Total  48,000lei
	Collection from population			18,000 lei		
	Other			-		
9.1.2. Labor	Type of work (qualified/not qualified)	Value/ working day pers	No of workers	No of days	Value	Total  7,000lei
	Welders	50	2	10	1,000	
	Not qualified	30	20	10	6,000	
9.1.3. Materials	Item	Quantity		Value		Total  5,000lei
	Sand	10 tons		3,000		
	Metal Pipe DN 50	100m		1,300		
	Acrylic paint	10 kg		700		

9.2. Other donors contribution - detailed			
Donor name	Donor Address	Value	Total
			.....
		Total	



10.1 Implementation period (months)	4	
10.2 Implementation schedule		
Activity	Start date	End date
Accumulation of the necessary fund amounts for the construction and assembling	September 1	October 1
Conduct a tender and select the company to implement the project according to the design specifications	October 10	October 31
Carrying out the construction works of the network	October 31	December 26
a. Digging the trench for the pipe	October 31	November 15
b. Installation and assembling the polyethylene pipe	November 20	November 30
c. Installing the distribution and metering devices	November 25	December 15
d. Pressure testing	December 15	December 20
e. Finalization works according to the design	December 20	December 24
f. Inspection of the works	December 24	December 26
Official inauguration of the network	December 28	

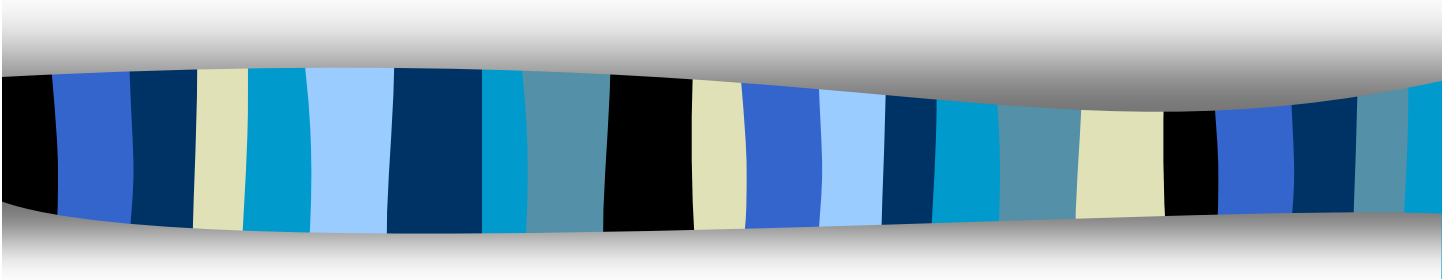
## 11. Documentation

11.1. It is required to have an authorized design? (Yes/Not)	11.2. If yes, what is the status of the design?	11.3 Does it exist a complete cost estimate?
Yes	Ready	Yes

11.3. List of stamps and permits that are required by the law, and status of each		
Permit required	Authority that issues the permit	Status (approved/pending/when will be approved)
Authorization	1. "Moldova Gaz" JSC	Approved
Authorization	3. Energy supply company	Approved
Authorization	4. Chief Architect of Raion	Approved
Authorization	5. Construction Department (Inspection)	Approved
Authorization	6. Environment Department	Approved
Authorization	7. Sanitation Department	Approved
Authorization	6. Moldtelecom	Approved
Authorization	7. Fire Division	Approved
Authorization	8. City hall	Approved

Mayor/ Responsible 's signature	Date
	August 3, 2005

# HOW DO YOU MAKE YOUR PROJECT SUCCESSFUL?



*Initiating, planning and  
implementing small  
projects in an LGRP  
partner community*



# OBJECTIVES

*by end of this training program you will be able to:*

- Identify and prioritize projects from your community strategic plan based on the LGRP demonstration projects selection criteria
- Define/name your project(s) as your first step in project planning
- Organize a project so it can be completed on schedule and within budget
- Learn how to implement the principles of a monitoring system that will keep you and LGRP up-to-date on project status
- Complete a draft demonstration project application form with help from your LGRP Staff Liaison



# THE PROJECT LIFE CYCLE

- Identifying and defining the project
- Describing and planning the project
- Implementing the plan
- Completing and evaluating the project



# *Important Factors for Project Selection*

## ■ *Threshold Factors for Demonstration Projects*

- A completed application form that meets all main requirements set out for LGRP Demonstration Projects

## ■ *High Value Factors for Demonstration Projects*

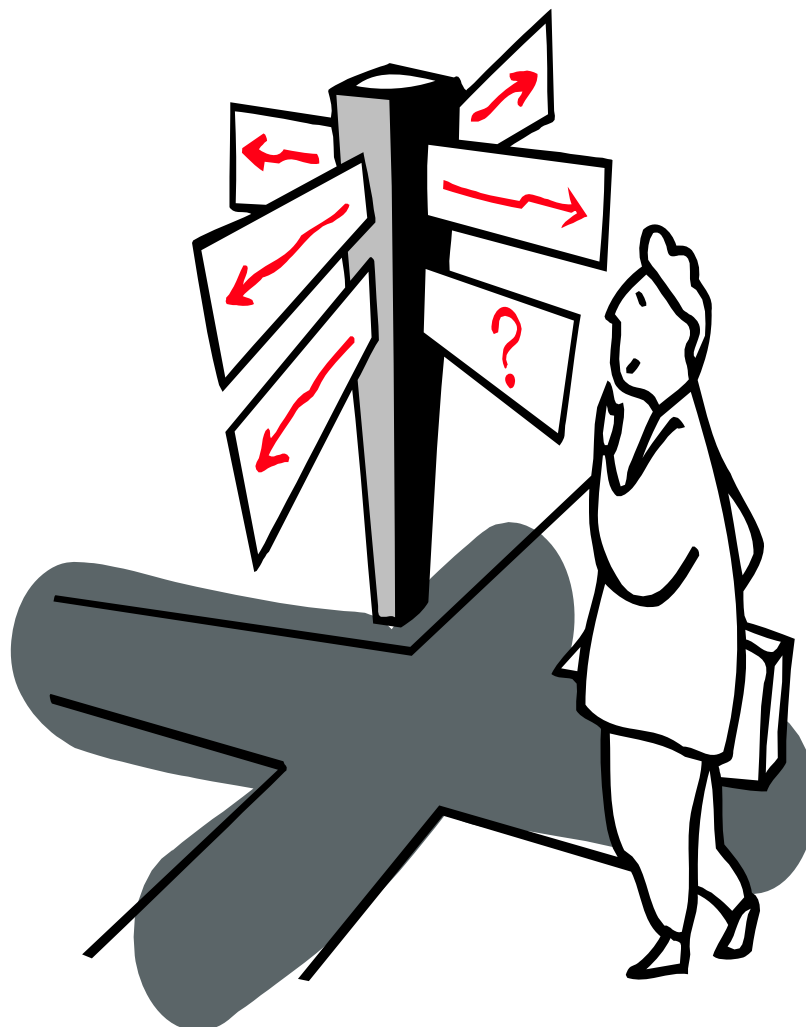
- Addresses basic human needs of citizens
- Can be completed quickly (approx. 60 days from start)
- Addresses a strongly felt need in the community
- Contribution/support from citizens is very strong
- Involves minimum technical complexity
- Minimizes external dependencies (permits, stamps, higher level government approvals etc.)
- All required designs & documents are already prepared

USAID Local Government Reform Project, February 2005

- **Local government support (financial/technical) is officially and legally committed**

# STEP 1

## DEFINING YOUR PROJECT





# 1. DEFINING YOUR PROJECT

## *Getting under way*

- What is your problem? - *Describe the problem the project will solve*
- What is your project about? – *Prepare a brief, yet comprehensive and clear, summary*
- Do you have a name for your project that reflects the project's essence? – *Create one*
- How is your project beneficial for citizens? - *Enumerate the anticipated benefits and beneficiaries (quantify whenever possible)*





## ***Example of a problem statement***

***In Moldovenii Noi homes, school, kindergarten and other public buildings there have no dependable heating systems. There was an attempt to build a low-pressure gas supply network connected to the main gas pipeline 15 years ago, but the project was not carried out for some reasons that occurred in 1989. At present, some residents use gas cylinders (transported from Chisinau). These are associated with higher risks and expense. In the winter, many in the village use coal and wood for heating, but there many are families can not afford to heat their houses during the winter time.***



## *What is a problem description?*

- What is wrong?
- Provide some history of the problem
- Explain the evolution of the problem through time
- Identify the threats and negative consequences that the problem has or may have for citizens



## *Example of a Project Description*

**The Project consists of the extension of a gas supply into the village. It will include a polyethylene gas supply line of XXmm diameter of 1,400 meters in length. Also a pressure reducer and gas metering station for the Moldovenii Noi village will be installed. The gas supply line will provide a maximum of 1,297 cubic meters per hour of natural gas for the village. Along the whole route every 250 meters a special sign will be installed indicating the location of the gas pipe to prevent any damage or unauthorized access along the route. After completion of installation work, the gas pipeline will be tested for pressure and resistance according to the official standards for gas supplies. Each household will pay for the individual connection to the street line.**



## Anticipated Benefits

- Dependable fuel for winter heating will be provided in homes and public buildings in Moldovenii Noi. The improvement of public services will have a positive impact on health and the economic development of the locality.
- Gas heating systems will make possible more efficient energy use in public buildings (including schools, kindergartens, hospital, library and city hall) and the savings will allow reduced expenditures for heating and more resources for other items in the local budget.

# STEP 2

## 2. PLANNING YOUR PROJECT



USAID Local Government Reform Project, February 2005



## 2. PLANNING YOUR PROJECT

### *Planning Steps*

- Establish project goals and objectives
- Estimate project costs (all costs)
- Estimate all available revenue including contributions from the community and/or other donor organizations
- Divide the project into logical subunits
- Estimate the time and resources that will be required to complete each subunit or step (and to totally complete the project)

## *Planning the time dimension*

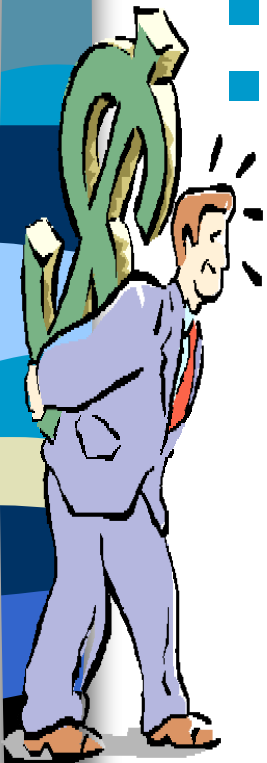


- Define everything involved in each step
- Estimate the duration of each step
- Identify the date at which each step will start
- Identify the date at which each step will end

# *Planning the cost dimension*

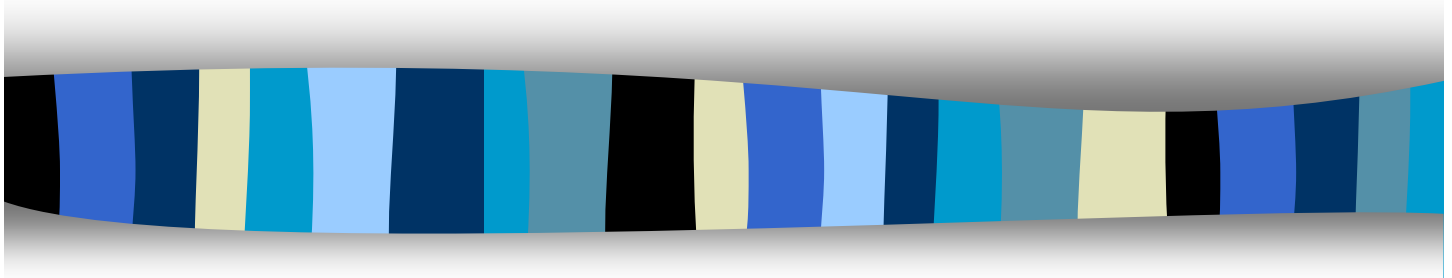
## **Typical cost components:**

- Design (plans, specifications, cost estimates & bid documents)
- Regulatory approvals (permits/stamps etc.)
- Administrative costs (bid advertising, etc.)
- Management (general, administrative, inspections,)
- Construction contracts and/or
- Materials/services, paid labor, equipment rental
- Support for voluntary labor
- Other costs





# Step 3



## IMPLEMENTING THE PROJECT PLAN

USAID Local Government Reform Project, February 2005



# IMPLEMENTING YOUR PLAN

## *Key duties during implementation stage*

- Managing/monitoring the project schedule
- Managing the current work in progress
- Timely reporting to LGRP all major issues, problems or challenges
- Communicating progress regularly to LGRP
- Keeping the project moving on schedule



## ***Controlling work in progress***

- Monitor implementation – keep a register of activities
- Carefully control and account for all project resources (both financial and material)
- Take regular “action photos” of project progress
- Assure maintenance of required USAID sign at the project site
- Take corrective action(s) in coordination with LGRP

# **STEP 4**

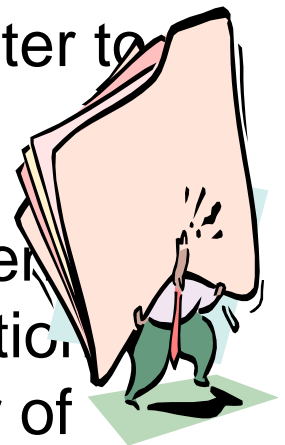
## **COMPLETING AND EVALUATING THE PROJECT**



USAID Local Government Reform Project, February 2005

# COMPLETION OF THE PROJECT

- Review progress against plan and result against goal
- Record of problems encountered and how they were handled
- Submit the final Project Register to LGRP
- Finalize all necessary documents (financial reports, final inspection, acceptance work and transfer of property)



# With LGRP plan and conduct project dedication ceremony



USAID Local Government Reform Project, February 2005

# Eligibility Criteria

In order to be eligible for assistance from LGRP, the applicant must meet ALL of the following eligibility criteria. Failure to meet all of the following requirements will result in ineligibility for assistance (projects may be re-submitted).

- The applicant must be a local government (Primaria) under Moldovan Law, and listed as a partner of LGRP
- The project must be a priority for the community, being included in Strategic Plan officially adopted by the council and updated as needed as prerequisite to application submittal
- The submitted project must comply with the law/regulations of the Republic of Moldova and USAID (including environmental protection law)
- Local partner contribution (budget and community) must constitute a minimum of 15% of the total value of the project
- Duration of the project: no more than 4 **months**
- The funds requested from LGRP do not exceed the \$20,000. limit.

# Required Documents

- Complete application form with all attachments
- Council decision adopting the Community Strategic Plan
- Copy of the technical (engineering) design (if required)
- Detailed budget (including accurate cost estimates)
- Copy of the action of the local council approving filing of application for the Demonstration Project
- Appropriate proof of secured contribution (Guarantee letters, local council decisions, statement of bank account, etc.)



Announcement of demonstration project availability, distribution of: Application forms (guidelines), Eligibility and Selection Criteria, Selection Chart, General Conditions. Organization of trainings for filling the application forms and for preparing the documentation.

LGRP receives completed applications continuously (an open process)

**1. Determine Eligibility (LGRP in-office evaluation) according to Eligibility Criteria**

If application incomplete, returned to community until complete (covered in updated CSP, application revision etc.)

*Eligible*

**2. Project Evaluation**

**Preliminary Engineering Review** (technical & financial feasibility)

On-site visit, environmental assessment, check consistency of preliminary budget estimation, analysis of readiness, urgency and sustainability of the project  
(Completion of LGRP internal review/evaluation form – project ranking system)

If the preliminary engineering review result is negative (e.g. technical problems, negative influence on environment etc. ), then  
**STOP**

*3. Project eligible and feasible*

Project Selection/Approval Process (monthly)

**4. Final Engineering Review**

Detailed design, plans specifications, detailed estimations

**4.2 Establish the funding approach**

**5. Preparation of Bid documents**

**6. Procurement**

Announcement (call for bids), bids evaluation, obtaining Purchase order From Urban Institute

**7. Implementation**

# Evaluation criteria

- Readiness of the project - Existence of new or updated design, including cost estimates and approvals (if design is not required, complete cost estimate is sufficient)
- Urgency of the problem
- Number of direct beneficiaries (cost per capita)
- Sustainability
- Secured contribution from the community (**minimum 15%**)
- Implementation time frame (maximum 4 months to be eligible)
- Support of other donors
- The project is part of an approved **Action Plan** adopted by the Local Council (using MEWSO action plan model or HAH and SWMH)
- **BONUS** Community has conducted Public Hearing(s) on the specific project and on the submittal of an application for a demonstration project.